Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

Reserve
1.941
S2F73

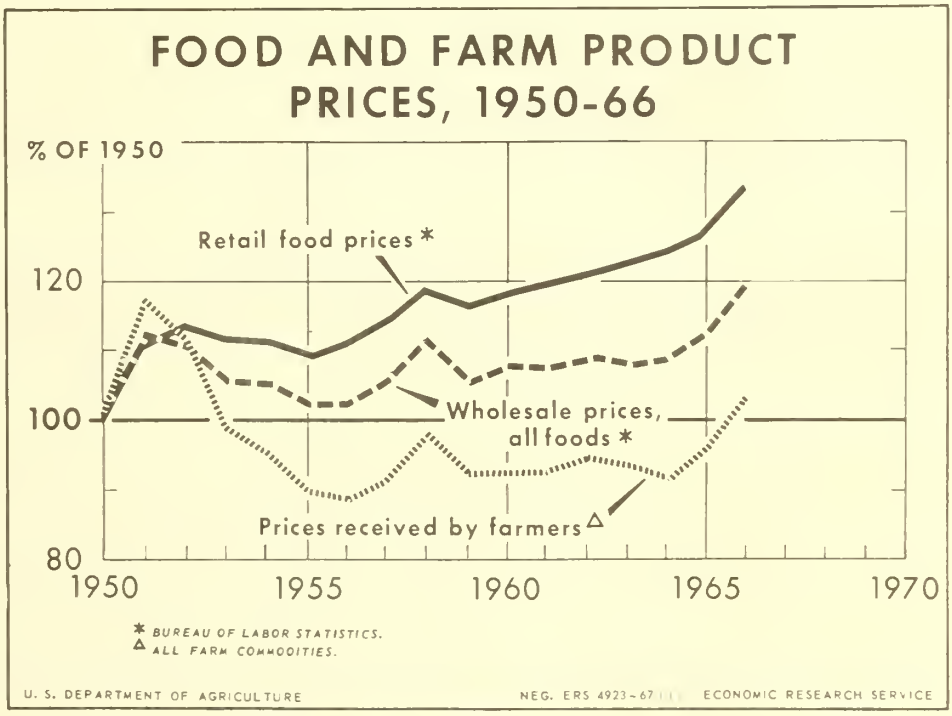
NATIONAL FOOD SITUATION

MAR 30 1967
CURRENT SERIAL RECORDS

NFS-119 For Release February 16, A.M. FEBRUARY 1967

Prices received by farmers increased more in the past 2 years than did wholesale and retail food prices. But since 1950, prices received by farmers for all commodities have increased only 3 percent, wholesale prices of all foods increased 19 percent, and retail food prices increased 33 percent.

In 1967, prices received by farmers likely will average slightly lower but retail food prices slightly higher than in 1966.



IN THIS ISSUE

Quarterly Consumption of Caloric Sweeteners and Cocoa

Current World Food Situation

Published quarterly by
ECONOMIC RESEARCH SERVICE • U. S. DEPARTMENT OF AGRICULTURE

Table 1.--Volume of farm marketings and home consumption 1/

(Index numbers, 1957-59=100)

Item	1947-49 average	1959	1960	1961	1962	1963	1964	1965	1966 preliminary 2/	1966 as a percentage of 1947-49	1966 as a percentage of 1965
Marketings and home consumption of all farm commodities	86	104	107	108	109	114	116	117	118	137	101
Food marketings and home consumption	87	103	104	107	107	111	113	115	117	134	102
Food marketings	82	103	105	109	109	113	116	117	120	146	103
Total food livestock 3/	79	103	104	108	110	114	118	118	120	152	102
Meat animals	81	103	105	108	110	116	121	120	123	152	102
Poultry and eggs	66	105	105	113	113	116	120	124	130	197	105
Dairy products	84	100	102	106	107	107	109	108	106	126	98
Total food crops 4/	98	105	108	110	107	110	110	116	120	122	103
Food grains 5/	102	106	117	114	102	111	108	118	122	120	103
Vegetables 6/	91	103	104	109	110	110	108	110	114	125	104
Fruit and nuts 7/	92	106	99	103	107	101	106	112	115	125	103
Sugar crops	78	105	105	115	117	152	155	145	141	181	97
Home consumption	161	94	87	81	75	73	67	61	59	37	97
Livestock	159	93	82	75	73	69	64	58	55	35	95
Crops	168	97	98	94	80	83	74	70	68	40	97
Nonfood marketings 8/	82	109	114	110	116	125	124	123	121	148	98

1/ Quantities of farm products weighted by average 1957-59 farm prices since 1955, 1947-49 prices in earlier years. Excludes Alaska and Hawaii. 2/ Indications for 1966 are based on calendar-year quantities estimated as of February 4, 1967. 3/ Includes honey. 4/ In addition to the crops listed below, includes peanuts, peppermint, popcorn, and spearmint. 5/ Wheat, rye, rice, and buckwheat. 6/ Truck crops for fresh use and processing, potatoes, sweetpotatoes, dry edible beans, dry field peas, mung beans, and melons 1955 to date. 7/ Except peanuts and, beginning 1955, melons. 8/ There are no nonfood items in the home consumption index.

Table 2.--Food consumption per capita 1/

(Index, 1957-59=100)

Selected years	Meat	Poultry	Fish	Eggs	Dairy, excluding butter	Fats and oils, including butter	Fruits 2/			Vegetables 3/			Potatoes and sweetpotatoes	Cereal products	Sugar and sweeteners	Coffee, tea, and cocoa	All food		
							Fresh	Processed	Total	Fresh	Processed	Total					Animal products	Crops 4/	Total
1910	96	49	107	82	70	101	148	14	80	114	24	85	208	149	54	65	87.2	87.0	86.9
1920	90	45	113	81	80	91	154	31	92	119	30	90	163	129	63	79	85.4	87.7	86.2
1930	85	52	97	89	83	113	145	35	89	126	47	100	138	131	85	81	86.3	95.7	89.9
1940	93	52	102	86	87	115	153	57	105	130	57	107	127	120	86	101	91.0	100.7	94.8
1941	94	56	108	84	90	116	161	53	107	129	61	107	134	121	94	104	92.3	103.6	96.7
1942	93	63	84	84	96	112	137	52	94	134	67	112	136	122	83	86	93.5	99.2	95.6
1943	98	78	75	92	96	97	122	45	84	139	61	114	137	135	77	81	96.2	98.7	97.0
1944	103	70	84	94	98	96	146	45	95	147	61	119	145	124	84	96	98.4	103.0	100.1
1945	97	76	94	107	104	91	144	57	101	150	74	126	129	130	69	100	99.4	104.0	101.0
1946	102	70	101	101	110	91	144	78	111	139	83	121	128	128	74	122	101.6	106.6	103.5
1947	102	64	96	104	104	97	149	67	108	127	76	111	126	115	94	108	100.0	103.8	101.4
1948	95	63	101	106	100	95	138	69	104	125	72	108	105	114	89	112	96.0	101.7	98.1
1949	95	67	102	105	99	98	135	73	104	118	75	104	109	113	91	115	96.1	101.5	98.1
1950	95	73	111	108	99	104	120	79	100	114	81	104	105	112	101	103	97.6	102.5	99.4
1951	90	77	106	109	99	94	125	78	102	111	84	103	105	115	94	105	95.8	100.8	97.6
1952	95	80	105	109	100	97	120	88	104	108	88	103	95	113	98	105	98.1	102.1	99.5
1953	102	79	103	106	99	98	113	90	102	106	91	102	100	110	97	107	100.0	101.6	100.5
1954	101	84	104	105	100	102	108	91	101	104	90	100	100	108	99	95	100.2	100.9	100.4
1955	106	79	97	104	101	103	102	98	100	104	96	102	101	102	100	96	101.7	100.4	101.1
1956	108	88	98	103	102	101	103	100	102	103	98	102	97	101	101	101	103.6	100.6	102.3
1957	102	94	97	102	101	99	101	103	102	102	98	101	98	99	98	100	100.6	99.6	100.2
1958	97	101	98	99	100	100	98	97	97	99	101	100	97	101	101	98	98.5	99.4	98.9
1959	101	105	105	99	100	101	101	100	101	98	101	99	105	100	101	102	100.9	101.0	101.0
1960 5/	102	102	102	94	99	99	98	104	101	100	102	100	109	99	102	101	99.9	101.6	100.7
1961 5/	101	112	102	91	97	99	95	102	98	99	102	100	110	98	102	102	99.6	101.1	100.3
1962 5/	102	110	102	91	97	99	90	106	98	96	107	99	114	97	103	104	99.9	101.1	100.4
1963 5/	105	112	101	89	98	100	82	97	89	96	107	99	119	97	102	106	101.2	100.8	101.1
1964 5/	108	115	99	88	98	103	88	92	90	95	109	99	122	99	103	103	102.8	101.4	102.2
1965 5/	104	121	104	87	98	102	89	96	92	95	112	100	129	100	104	100	101.0	102.7	101.8
1966 5/ 6/	105	128	100	85	98	102	89	98	93	94	114	100	136	99	105	100	101.7	103.7	102.6

1/ Civilian consumption, beginning 1941. Individual food items are combined in terms of 1947-49 retail prices through 1954, 1957-59 retail prices thereafter; indexes are linked at 1955. 2/ Excluding melons and baby food. 3/ Excluding soups, baby food, dry beans and peas, potatoes, and sweetpotatoes. 4/ Including melons, dry beans and peas, nuts, soups, and baby food in addition to groups shown separately. 5/ Incorporates data for Alaska and Hawaii. 6/ Preliminary.

NATIONAL FOOD SITUATION

Approved by the Outlook and Situation Board, February 8, 1967

CONTENTS

	Page		Page
Summary	3	Quarterly Consumption of Caloric Sweeteners and Cocoa	21
Demand for Food	4	Current World Food Situation	27
Food Expenditures	5	List of Articles in NFS, 1962-66	33
Food Prices	8	List of Tables and Charts	36
Food Supplies and Consumption	11		
Fishery Products Situation	19		
Sweetener Situation	20		

SUMMARY

The dollar value of retail food store sales in fourth quarter 1966 averaged only 1 percent above the final quarter of 1965 even though food prices averaged 4 1/2 percent higher. Food store sales have failed to rise since April 1966, on a seasonally adjusted basis. But, sales by eating and drinking places continued to move ahead.

Total food expenditures in the fourth quarter averaged 4 percent above a year earlier, compared with 7 to 9 percent increases earlier in the year. Food expenditures in 1966 totaled $91 billion, an increase of 7 percent from 1965. An average of 18.1 percent of disposable personal income was spent for food in 1966, nearly steady with the 18.2 percent in 1965. Food expenditures likely will rise again this year but not as much as in 1966.

Retail food prices declined slightly during fourth quarter 1966. December prices averaged 1 percent below August, the high of the year. As usual, the food price decline at retail was much less than at wholesale. The farm value of foods originating on U.S. farms declined 6 percent between the third and fourth quarters of 1966, but the farm-retail marketing spread increased 3 percent.

Retail food prices in 1966 averaged 5.0 percent above a year earlier compared with a 2.9 percent increase for the average of all items in the Consumer Price Index. Prices for all items except food averaged 2.4 percent higher in 1966. Average retail food prices are not expected to change much in the first half of 1967. For the year an increase about in line with the postwar trend is expected.

Retail meat prices averaged much higher than a year earlier in 1966, but by December they had receded to year-earlier levels. Relatively stable prices are expected this winter and spring, but higher prices--particularly for beef--

are likely later in the year. Dairy product prices at the end of 1966 averaged 10 percent above a year earlier, and bread prices averaged 8 percent higher. Relatively small changes from these levels are likely in 1967.

In 1966, egg prices averaged substantially higher than a year earlier. Prices in recent weeks have declined and likely will average well below a year earlier throughout 1967. Prices for citrus products also have declined in recent weeks and probably will average well below a year earlier through most of 1967.

Per capita food consumption increased nearly 1 percent in 1966, despite higher prices. Consumption was larger both for animal and crop products. Consumption of total livestock products was below a year earlier in the first quarter of 1966, but rose above a year earlier in the next 3 quarters. Per capita consumption of beef, poultry, vegetable oils, and potatoes increased last year. It was lower for pork, eggs, dairy products, and animal fats.

Per capita consumption of meat is expected to continue large in the first half of 1967, but may drop below year-earlier rates later in the year. Per capita consumption of poultry, eggs, and citrus fruits is expected to continue substantially above 1966. For the year, total animal product consumption likely will average near the 1966 level, but crop product consumption may be much larger.

DEMAND FOR FOOD

Civilian demand for food was strengthened by an 8 percent increase in disposable income in 1966. The percentage of income spent for food in 1966 remained nearly the same as a year earlier. An expanded Food Stamp Program and other welfare programs stimulated the demand for food by lower income families. These families spend a relatively large part of their income for food. But, a 2 1/2 percent increase in nonfood consumer prices tended to moderate the increase in demand for food.

Higher food prices in 1966 reflected reduced production of certain items and a strong demand for total food products by domestic and foreign users. Total production of food products declined 1 percent and total net use of food products increased 3 percent. Per capita food consumption increased nearly 1 percent last year and population grew 1 percent. Military food takings increased 10 percent. Exports of food commodities were 9 percent larger, and nonfood uses of food commodities (other than for feed and seed) rose 5 percent. Feed and seed use jumped 10 percent. In meeting the strong demand increase, imports increased and food stocks were worked down.

Increased demand for food products--both for civilian food use and other competing uses--coupled with reduced production caused farm prices to rise significantly in 1966. The increase in prices received by farmers for U.S. farm-originated foods accounted for nearly 3/5 of the increase in retail food prices, based on market basket data. The remaining 2/5 of the increase was accounted for by an increase in farm-retail marketing spread.

FOOD EXPENDITURES

Retail food store sales in fourth quarter 1966 averaged only 1 percent above a year earlier, compared with a 4 1/2 percent increase in retail food prices (figure 1). Food store sales in the first 3 quarters had run 6 to 9 percent above a year earlier; for the year as a whole, sales averaged 6 percent larger. Sales by eating and drinking places continued well ahead of a year earlier--up 8 percent--during the fourth quarter. For the year, these sales were 9 percent larger.

Total food expenditures in fourth quarter 1966 slowed to a rate of 4 percent above a year earlier. This rise compared with year-to-year increases of 7 to 9 percent earlier in the year. For 1966 as a whole, food expenditures totaled $91.3 billion, according to preliminary estimates, up 7 percent from 1965 (table 3). Food expenditures averaged $464 per capita, up nearly 6 percent from a year earlier.

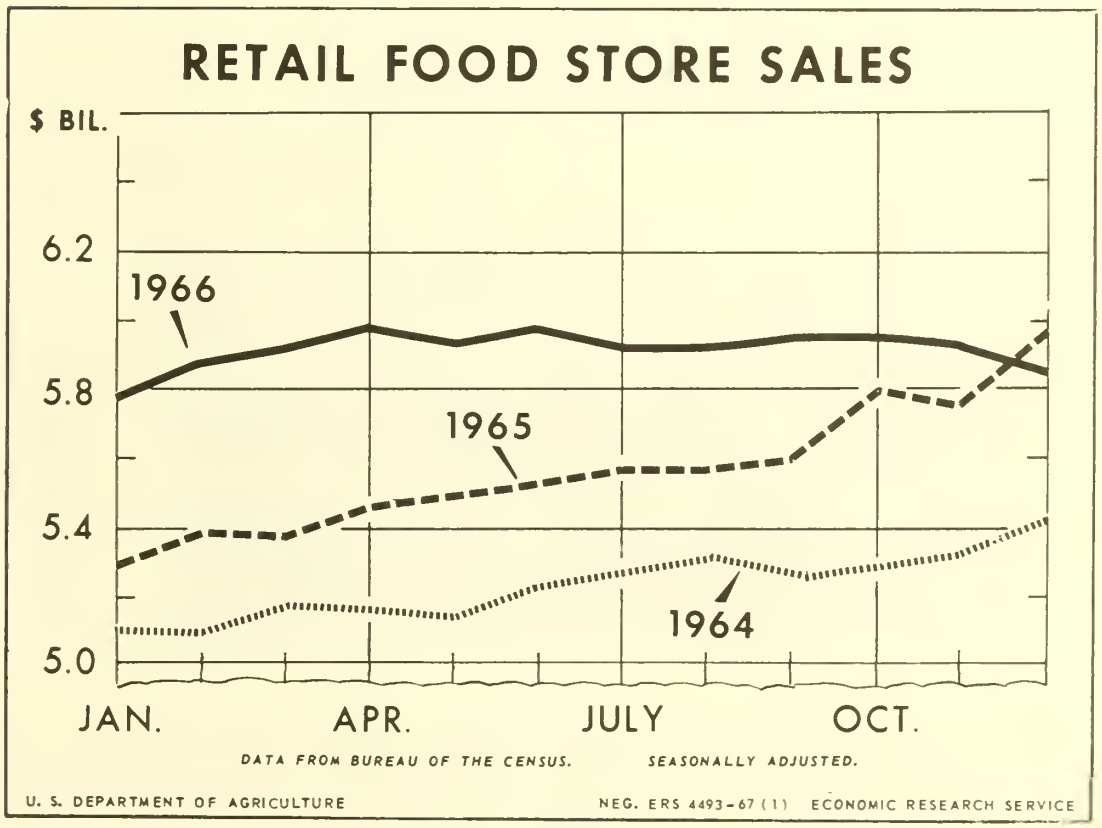


Figure 1

Most of the increase in food expenditures in 1966 can be traced to the 5 percent increase in retail food prices. The rise in quantity of food consumed accounted for the balance of the gain--population and per capita food consumption each went up about 1 percent. Since retail food prices are not expected to advance much this year, the food expenditure gain is expected to be much smaller than in 1966.

Food expenditures averaged 18.1 percent of disposable income in 1966 compared with 18.2 percent a year earlier (figure 2). The percentage of income spent for food dropped to a new low of 17.8 percent in fourth quarter 1966, according to preliminary data. For 1967, further increases are anticipated both in food expenditures and in disposable income. The income gain is expected to be larger than for food expenditures. Consequently, the percentage of income spent for food is expected to decline slightly.

Civilian expenditures for foods originating on U.S. farms increased about $5\frac{1}{2}$ billion between 1965 and 1966. About $2\frac{1}{2}$ billion of this increase consisted of a rise in farm value and the remaining $3 billion represented an

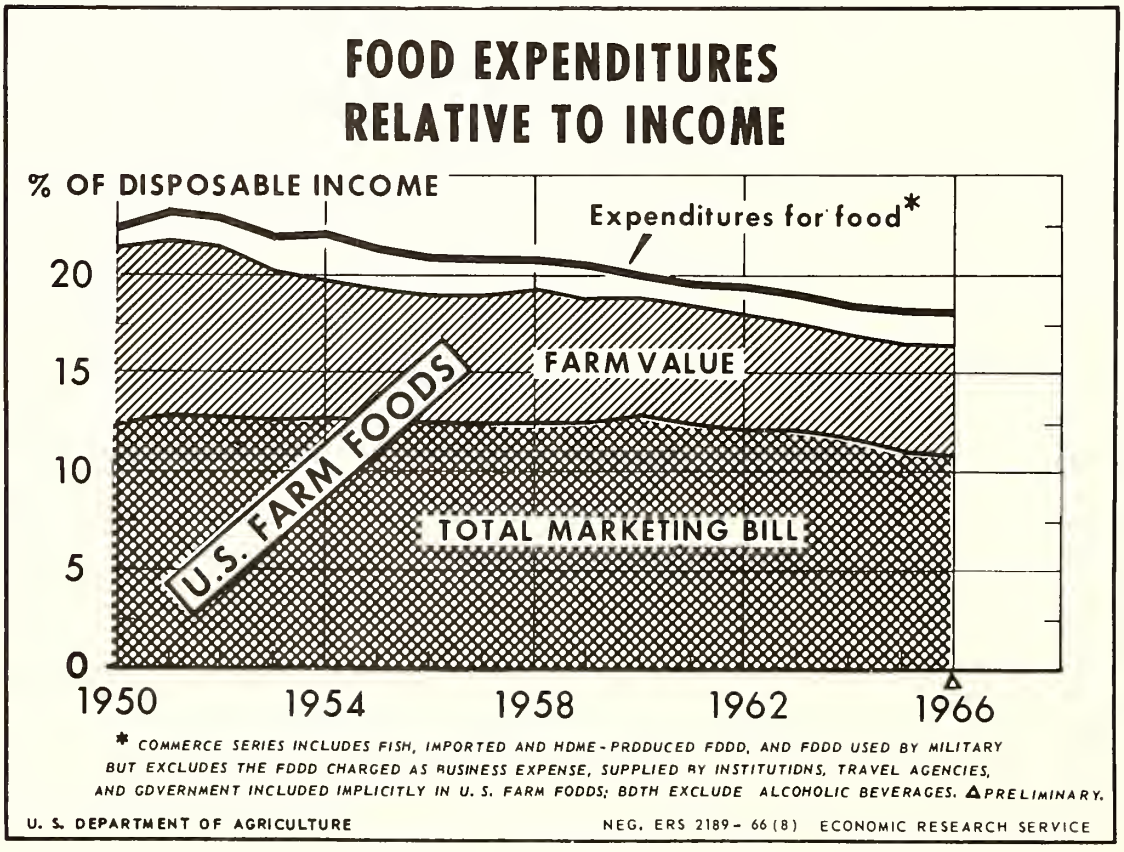

FOOD EXPENDITURES
RELATIVE TO INCOME
% OF DISPOSABLE INCOME
Expenditures for food*
20
15
10
5
0
FARM VALUE
U.S. FARM FOODS
TOTAL MARKETING BILL
1950
1954
1958
1962
1966
* COMMERCE SERIES INCLUDES FISH, IMPORTED AND HOME-PRODUCED FOOD, AND FOOD USED BY MILITARY BUT EXCLUDES THE FOOD CHARGED AS BUSINESS EXPENSE, SUPPLIED BY INSTITUTIONS, TRAVEL AGENCIES, AND GOVERNMENT INCLUDED IMPLICITLY IN U. S. FARM FOODS; BOTH EXCLUDE ALCOHOLIC BEVERAGES. △PRELIMINARY.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 2189-66(8) ECONOMIC RESEARCH SERVICE

Figure 2

Table 3.--Food expenditures related to disposable income, 1909-66

Year	Disposable personal income		Personal consumption expenditures					U. S. civilian expenditures for foods originating on U. S. farms 3/					
			Total expenditures		Expenditures for food 2/			Civilian expenditures		Farm value		Total marketing bill	
	Total 1/	Per capita	Total 1/	Per capita	Total	Per capita	Percent of disposable personal income	Total	Percent of disposable personal income	Total	Percent of disposable personal income	Total	Percent of disposable personal income
	Bil. dol.	Dol.	Bil. dol.	Dol.	Bil. dol.	Dol.	Pct.	Bil. dol.	Pct.	Bil. dol.	Pct.	Bil. dol.	Pct.
1909	28.5	315	28.5	315	---	---	---	---	---	---	---	---	---
1910	30.2	327	30.2	327	---	---	---	---	---	---	---	---	---
1911	30.8	328	30.2	322	---	---	---	---	---	---	---	---	---
1912	33.0	346	32.4	340	---	---	---	---	---	---	---	---	---
1913	34.8	358	34.0	350	---	---	---	---	---	---	---	---	---
1914	34.7	350	33.3	336	---	---	---	---	---	---	---	---	---
1915	37.0	368	31.8	316	---	---	---	---	---	---	---	---	---
1916	43.4	425	38.8	380	---	---	---	---	---	---	---	---	---
1917	52.2	505	45.1	436	---	---	---	---	---	---	---	---	---
1918	58.3	557	49.5	473	---	---	---	---	---	---	---	---	---
1919	66.3	631	58.8	559	---	---	---	---	---	---	---	---	---
1920	69.7	654	64.5	606	---	---	---	---	---	---	---	---	---
1921	55.1	508	56.3	519	---	---	---	---	---	---	---	---	---
1922	59.6	541	58.0	527	---	---	---	---	---	---	---	---	---
1923	69.0	616	64.5	576	---	---	---	---	---	---	---	---	---
1924	69.6	610	68.0	596	---	---	---	---	---	---	---	---	---
1925	73.7	636	70.3	607	---	---	---	---	---	---	---	---	---
1926	76.4	651	74.0	630	---	---	---	---	---	---	---	---	---
1927	76.7	645	73.7	619	---	---	---	---	---	---	---	---	---
1928	78.7	653	76.8	637	---	---	---	---	---	---	---	---	---
1929	83.3	684	77.2	634	19.5	160	23.4	---	---	---	---	---	---
1930	74.5	605	69.9	568	18.0	146	24.2	---	---	---	---	---	---
1931	64.0	516	60.5	488	14.7	119	23.0	---	---	---	---	---	---
1932	48.7	390	48.6	389	11.4	91	23.4	---	---	---	---	---	---
1933	45.5	363	45.8	365	10.9	87	24.0	---	---	---	---	---	---
1934	52.4	414	51.3	406	12.2	97	23.3	---	---	---	---	---	---
1935	58.5	460	55.7	438	13.6	107	23.2	---	---	---	---	---	---
1936	66.3	518	61.9	483	15.3	119	23.1	---	---	---	---	---	---
1937	71.2	553	66.5	516	16.5	128	23.2	---	---	---	---	---	---
1938	65.5	504	63.9	492	15.6	120	23.8	---	---	---	---	---	---
1939	70.3	537	66.8	511	15.7	120	22.3	---	---	---	---	---	---
1940	75.7	573	70.8	536	16.6	125	21.9	---	---	---	---	---	---
1941	92.7	695	80.6	604	19.2	144	20.7	---	---	---	---	---	---
1942	116.9	867	88.5	656	23.3	173	19.9	---	---	---	---	---	---
1943	133.5	976	99.3	727	27.4	200	20.5	---	---	---	---	---	---
1944	146.3	1,057	108.3	782	29.9	216	20.4	---	---	---	---	---	---
1945	150.2	1,074	119.7	856	33.2	237	22.1	---	---	---	---	---	---
1946	160.0	1,132	143.4	1,014	39.0	276	24.4	---	---	---	---	---	---
1947	169.8	1,179	160.7	1,115	43.7	303	25.7	41.9	24.7	19.3	11.4	22.6	13.3
1948	189.1	1,290	173.6	1,184	46.3	316	24.5	44.8	23.7	19.9	10.5	24.9	13.2
1949	188.6	1,264	176.8	1,185	44.8	300	23.8	43.4	23.0	17.4	9.2	26.0	13.8
1950	206.9	1,364	191.0	1,259	46.0	303	22.2	44.0	21.3	18.0	8.7	26.0	12.6
1951	226.6	1,468	206.3	1,337	52.1	338	23.0	49.2	21.7	20.5	9.0	28.7	12.7
1952	238.3	1,518	216.7	1,380	54.7	348	23.0	50.9	21.4	20.4	8.6	30.5	12.8
1953	252.6	1,582	230.0	1,441	55.5	347	22.0	51.0	20.2	19.5	7.7	31.5	12.5
1954	257.4	1,585	236.5	1,456	56.5	348	22.0	51.1	19.9	18.8	7.3	32.3	12.6
1955	275.3	1,666	254.4	1,539	58.1	351	21.1	53.1	19.3	18.7	6.8	34.4	12.5
1956	293.2	1,743	266.7	1,585	60.4	359	20.6	55.5	18.9	19.2	6.5	36.3	12.4
1957	308.5	1,801	281.4	1,643	63.9	373	20.7	58.3	18.9	20.4	6.6	37.9	12.3
1958	318.8	1,831	290.1	1,666	66.6	383	20.9	61.0	19.1	21.5	6.7	39.5	12.4
1959	337.3	1,905	311.2	1,757	68.4	386	20.3	63.1	18.7	20.9	6.2	42.2	12.5
1960	350.0	1,937	325.2	1,800	70.1	388	20.0	65.9	18.8	21.7	6.2	44.2	12.6
1961	364.4	1,983	335.2	1,823	72.1	392	19.8	67.1	18.4	22.0	6.0	45.1	12.4
1962	358.3	2,064	355.1	1,902	74.4	398	19.3	69.3	18.0	22.4	5.8	46.9	12.2
1963	404.6	2,136	375.0	1,980	76.5	404	18.9	71.5	17.7	22.6	5.6	48.9	12.1
1964	436.6	2,273	401.4	2,089	80.4	418	18.4	74.6	17.1	23.4	5.4	51.2	11.7
1965	469.1	2,411	431.5	2,217	85.4	439	18.2	77.6	16.5	25.5	5.4	52.1	11.1
1966 4/	505.3	2,568	465.0	2,363	91.3	464	18.1	83.0	16.4	28.0	5.5	55.0	10.9

1/ Estimated 1909-28 by the Economic Research Service, 1929 to date from U.S. Department of Commerce.
2/ From U.S. Department of Commerce. Excludes alcoholic beverages.
3/ Computed by Economic Research Service. Includes data for Alaska and Hawaii beginning 1960. This series omits imported foods, fish and other seafoods, home-produced food, and food furnished the Armed Forces; it implicitly includes the value of the following items omitted from the Commerce food expenditure series: Meals charged as a business expense, meals served patients in hospitals and persons living in institutions, food distributed free by Government agencies, and meals served by airlines, camps, and other agencies that do not make separate charges for food.
4/ Preliminary.

increase in the total marketing bill (including processing and distribution) (table 3). Relative to disposable personal income, the farm value increased fractionally to 5.5 percent while the marketing bill declined fractionally to 10.9 percent last year.

FOOD PRICES

Fourth Quarter 1966

Retail food prices declined slightly during fourth quarter 1966. December prices averaged 0.9 percent below August, the high of the year. The retail price decline followed a decline at wholesale but it was more moderate. Wholesale prices of farm products averaged 5 percent lower in the fourth quarter than in the third quarter; wholesale prices of processed foods averaged 2 percent lower. Fourth quarter prices received by farmers (for all commodities) averaged 4 percent lower than in the third quarter.

The farm value of a fixed quantity of foods originating on U.S. farms declined 6 percent between the third and fourth quarters of 1966. The farm-retail marketing spread advanced sharply--up 3 percent--as farm prices receded. As a result, the retail cost of a fixed quantity of foods declined only 1 percent.

Higher Prices in 1966

Retail food prices in 1966 averaged 5.0 percent above 1965 (table 15). Prices for food away from home on the average did not increase quite as much as food purchased for use at home, although late in the year restaurant meal prices continued to rise while grocery store prices declined. By December, prices for food away from home were 5.3 percent higher than December 1965, but food store prices were only 3.4 percent higher.

The Consumer Price Index increased 2.9 percent in 1966. About 0.5 percentage point of this increase was due to the greater rise in food prices than in prices of nonfood goods and services. Prices for all items less food averaged 2.4 percent higher; prices for all services increased 3.8 percent and commodities less food, 1.3 percent. Even though food prices increased more than nonfood items during 1966, they both increased about the same amount between 1957-59 and December 1966; food advanced 14.8 percent and all items less food, 14.9 percent.

The food price increase in 1966 was rather variable across the country. Food prices increased only 2 percent in Los Angeles-Long Beach and 3 percent in Honolulu, compared with a 7 percent gain in Detroit and 6 percent rise in Baltimore.

The 5 percent U.S. average increase in retail food prices between 1965 and 1966 compares with a 6 percent increase in wholesale prices of all foods and an 8 percent increase in prices received by farmers for all commodities. Livestock product prices received by farmers increased 12 percent, whereas crop product prices increased only 1 percent. Although wholesale and farm prices

Table 4.--Food and farm product prices, 1950-66
(Index: 1957-59=100)

Year	Retail food prices 1/			Wholesale prices 1/			Prices received by farmers 3/			Market Basket of U.S. farm foods 4/		
					Food							
	At home	Away from home	All food	Farm products	Processed	All 2/	Crops	Livestock and products	Total	Retail costs	Farm-retail spread	Farm value
1950	87.1	---	85.8	106.4	92.6	93.0	104	108	107	88.6	77.6	105.3
1951	96.9	---	95.4	123.8	103.3	104.1	119	130	125	98.6	84.0	121.1
1952	98.6	---	97.1	116.8	100.9	102.7	120	119	119	99.6	87.9	117.4
1953	96.8	89.3	95.6	105.9	97.0	98.5	108	104	105	96.6	88.8	108.6
1954	96.3	90.9	95.4	104.4	97.6	97.7	108	97	102	94.9	89.9	102.7
1955	94.4	91.8	94.0	97.9	94.3	95.3	104	90	96	93.3	91.5	96.2
1956	94.8	93.6	94.7	96.6	94.3	95.2	105	88	95	93.6	92.7	95.0
1957	97.9	97.1	97.8	99.2	97.9	98.1	101	94	97	97.0	96.4	97.8
1958	102.2	100.0	101.9	103.6	102.9	103.3	100	106	104	102.7	101.3	105.0
1959	99.7	102.8	100.3	97.2	99.2	98.5	99	100	99	100.3	102.3	97.2
1960	100.6	105.5	101.4	96.9	100.0	100.0	99	98	99	100.9	102.3	98.6
1961	101.5	107.8	102.6	96.0	100.7	100.0	102	98	99	101.5	103.7	98.0
1962	102.2	110.7	103.6	97.7	101.2	100.6	104	99	101	102.4	104.6	99.0
1963	103.5	113.2	105.1	95.7	101.1	100.4	107	95	100	103.1	107.3	96.5
1964	104.7	115.2	106.4	94.3	101.0	100.8	107	91	98	103.2	107.7	96.4
1965	107.2	117.8	108.8	98.4	105.1	104.5	104	101	102	106.0	106.4	105.5
1966	112.6	123.2	114.2	105.6	111.5	110.7	105	113	110	112.0	110.6	114.1
Percent change												
1965-66	5.0	4.6	5.0	7.3	6.1	5.9	1.0	11.9	7.8	5.7	3.9	8.2
1950-66	29.3	5/38.0	33.1	-0.8	20.4	19.0	1.0	4.6	2.8	26.4	42.5	8.4

1/ Department of Labor, Bureau of Labor Statistics.
2/ All processed foods plus eggs and fresh and dried fruits and vegetables from farm products group.
3/ Statistical Reporting Service.
4/ Economic Research Service.
5/ Percent change 1953-66; data not available prior to 1953.

increased substantially in the last 2 years, over a longer period of time they have not increased as much as retail prices (table 4, cover chart). Comparisons with 1950 show that retail food prices increased 33 percent and wholesale prices of all food increased 19 percent, but prices received by farmers increased only 3 percent. The farm value of a fixed quantity of U.S. farm-originated foods has increased 8 percent, compared with a 43 percent increase in costs of marketing (including processing and distribution) these foods.

Retail food prices advanced strongly early in 1966 in response to reduced supplies of meats and fresh vegetables (figure 3). Prices strengthened again in the third quarter, due primarily to higher prices for dairy and bakery products. Fresh vegetable prices remained unseasonally high in late summer due to crop shortages at that time. By December, retail meat prices had receded from earlier high levels to average the same as in December 1965.

During 1966, retail meat prices averaged 9 percent above 1965. Pork was up the most--14 percent--but beef was up 5 percent, despite increased supplies. Egg prices averaged 14 percent above 1965, and frying chickens were up 6 percent even though production was larger than a year earlier. Dairy product prices averaged 6 percent higher for the year as a whole although December prices stood 10 percent above a year earlier. Cheese prices were particularly strong, averaging 12 percent higher for the year.

Retail crop product prices generally did not increase as much (2 percent) during 1966 as did prices for animal products (8 percent). Cereal and bakery product prices averaged 4 percent higher, with white bread prices up 6 percent and flour prices up only 2 percent. Prices for fruits and vegetables, including potatoes, increased an average of 2 percent during 1966. Fresh potato prices averaged 20 percent lower and frozen orange juice concentrate prices were 9 percent lower, but fresh apples were up 12 percent and lettuce was up 9 percent. Coffee prices were down 2 percent. Prices for prepared and partially prepared foods averaged slightly lower, led by price declines for processed potato products.

Price Prospects for 1967

Recent declines in wholesale prices and prices received by farmers should hold retail food prices near current levels during the first few months of 1967. For the year, retail food prices are expected to average slightly above 1966. But, the increase is expected to be in the range of 1 to 2 percent--about in line with the postwar trend--rather than the abnormally large increase that occurred in 1966.

A substantial increase in production of oranges and other citrus products indicates that citrus fruit prices probably will decline noticeably this winter. The larger 1966/67 pack of canned noncitrus fruits should result in fairly steady prices for peaches, pears, and fruit cocktail this winter and spring. Larger supplies of fresh vegetables this winter should result in prices for most items well below the high prices for 1966. However, fresh potato prices likely will average above a year earlier in the first half of 1967. Large supplies of

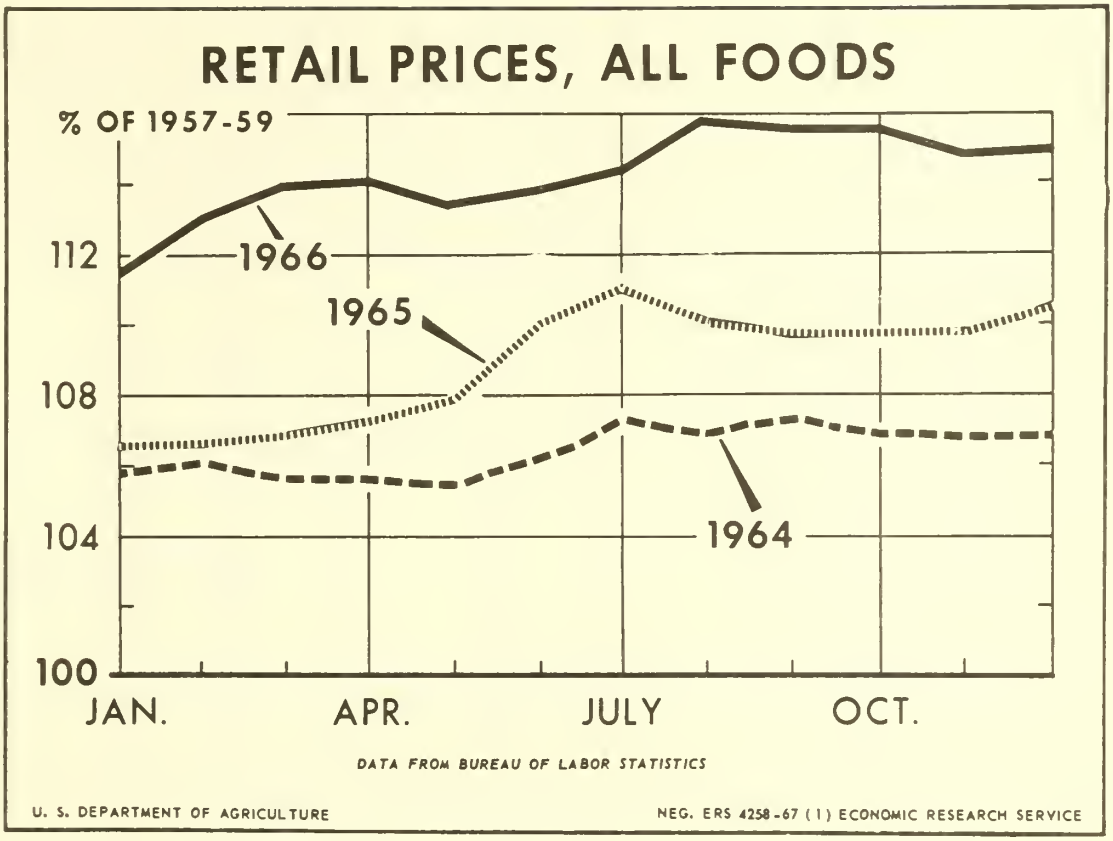


Figure 3

meat and poultry are expected to stabilize prices at retail for these products in the first half of 1967. But later in the year, prices probably will rise if anticipated lower beef production materializes. Egg prices this year probably will average well below a year earlier, but prices probably will strengthen seasonally during the fall. Retail prices for dairy products in coming months likely will remain near their levels at the end of 1966.

FOOD SUPPLIES AND CONSUMPTION

Food Production Down Imports Up

The total net use of farm food commodities increased 3 percent in 1966 (table 5). Net production of these commodities declined 1 percent. To make up the difference between increased use and decreased production, more food was imported and stocks of food products were reduced 7 percent.

Production of livestock products increased 1 1/2 percent last year but crop output dropped 3 percent. Animal slaughter was 3 percent larger and

Table 5 .--Supply-utilization of farm food commodities: Indexes by component and relationship of components to total annual net utilization, 1947-66 1/

Year	Supply			Total annual net utilization	Utilization				
					Domestic use				Exports and shipments 7/
					Food		Net nonfood 6/	Total	
	Net production 2/	Net imports 3/	Stocks 4/		Civilian	Military 5/			
	A.--Index, 1957-59=100								
1947	81.9	78.7	64.2	86.1	85.5	181.3	113.8	88.2	65.1
1948	86.4	82.8	59.3	82.9	83.2	211.2	114.9	86.6	44.6
1949	81.8	86.1	72.3	83.6	84.2	211.2	97.8	86.9	49.8
1950	82.6	88.3	75.0	84.5	86.4	110.3	113.5	87.7	51.0
1951	81.5	88.8	78.0	87.6	85.9	218.7	108.2	89.0	73.0
1952	86.9	87.0	71.6	87.9	88.7	163.4	94.5	90.2	64.0
1953	88.7	93.0	75.4	89.4	91.2	151.9	99.1	92.5	57.2
1954	91.0	84.0	81.2	90.4	92.4	127.6	93.9	93.1	62.5
1955	94.9	88.5	87.0	95.1	96.3	110.8	103.4	96.8	77.9
1956	98.6	92.7	91.4	99.9	99.3	112.4	105.2	99.8	100.8
1957	98.2	93.1	93.7	99.3	98.9	101.8	99.7	98.9	103.1
1958	101.3	96.6	96.7	98.2	98.8	99.8	98.1	98.8	92.1
1959	100.5	110.3	109.6	102.5	102.3	98.4	102.2	102.3	104.8
1960	104.9	104.8	114.6	104.7	103.5	94.2	97.2	103.1	120.3
1961	103.7	111.9	122.3	107.4	105.6	103.8	97.5	105.3	129.1
1962	104.7	112.4	123.2	109.8	107.1	108.5	100.0	106.9	140.0
1963	109.8	113.4	120.7	113.9	110.1	107.2	103.6	109.8	156.7
1964	111.7	102.6	119.8	118.5	112.7	115.5	105.2	112.5	181.1
1965	116.2	101.1	109.5	117.9	112.7	130.8	104.0	112.7	170.9
1966 8/	115.1	109.6	109.8	121.3	114.7	143.8	109.2	115.0	185.7
1967 8/			102.1						
	B.--Percentage of total annual net utilization								
1947	87.1	10.4	2.5	100.0	85.7	3.4	4.2	93.3	6.7
1948	95.4	11.4	-6.8	100.0	86.7	4.1	4.4	95.2	4.8
1949	89.6	11.8	-1.4	100.0	86.9	4.0	3.8	94.7	5.3
1950	89.5	12.0	-1.5	100.0	88.2	2.1	4.3	94.6	5.4
1951	85.2	11.6	3.2	100.0	84.6	4.0	4.0	92.6	7.4
1952	90.6	11.3	-1.9	100.0	87.1	3.0	3.5	93.6	6.4
1953	90.9	11.9	-2.8	100.0	88.0	2.7	3.6	94.3	5.7
1954	92.2	10.6	-2.8	100.0	88.3	2.3	3.3	93.9	6.1
1955	91.4	10.6	-2.0	100.0	87.4	1.9	3.5	92.8	7.2
1956	90.4	10.6	-1.0	100.0	85.9	1.8	3.4	91.1	8.9
1957	90.6	10.7	-1.3	100.0	85.9	1.7	3.2	90.8	9.2
1958	94.4	11.3	-5.7	100.0	86.9	1.6	3.2	91.7	8.3
1959	89.8	12.3	-2.1	100.0	86.2	1.6	3.2	91.0	9.0
1960	91.8	11.4	-3.2	100.0	85.4	1.4	3.0	89.8	10.2
1961	88.4	11.9	-.3	100.0	84.9	1.6	2.9	89.4	10.6
1962	87.3	11.7	1.0	100.0	84.2	1.6	2.9	88.7	11.3
1963	88.3	11.4	.3	100.0	83.4	1.5	2.9	87.8	12.2
1964	86.3	9.9	3.8	100.0	82.0	1.6	2.9	86.5	13.5
1965	90.3	9.8	-.1	100.0	82.6	1.8	2.8	87.2	12.8
1966 8/	86.9	10.3	2.8	100.0	81.6	1.9	2.9	86.4	13.6

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis since 1962. Includes essentially all commodities having any food use in the United States. Livestock: Red meats, poultry, eggs, milk fat and nonfat solids, and honey. Crops: Food and feed grains, sugar crops, citrus and noncitrus fruit, bananas, tree nuts, potatoes, sweetpotatoes, vegetables, dry beans and peas, cowpeas, popcorn, mustard seed, cocoa, coffee, tea, olives, copra, and major oilseeds. 2/ Meat production includes carcass weight of commercial and farm slaughter; does not include change in live animal inventory. 3/ Includes shipments from U.S. Territories. 4/ Farm, commercial, and Government program holdings; excludes live animal inventory. Section A: Jan. 1; derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes: Negatives indicate stock increases; positives signify withdrawals. 5/ Includes civilian feeding in occupied areas. 6/ Excludes feed and seed. 7/ Includes shipments to U.S. Territories. 8/ Preliminary.

poultry output was up 9 percent although dairy product production declined 3 percent (table 14). Output of most feed and food grains was reduced. However, production of fruits, vegetables, potatoes, and dry edible beans increased.

The volume of imports of food products increased about 8 percent in 1966 (table 5). The current dollar value of total agricultural commodities imported in January-November 1966 was 13 percent above a year earlier (table 6). Increases were larger for animal than for crop products; the value of meat and meat product imports increased 42 percent and dairy product imports were up substantially. 1/ Imports were also larger for coffee, sugar, and bananas.

Total production of food commodities probably will rise significantly this year, with most of the increase likely for crop products. Little overall change in livestock production is expected. Total food imports may rise again this year. Total stocks of food commodities on December 31 probably will exceed stocks at the beginning of the year.

Use of Food Products Much Larger in 1966

Total food products used in 1966 were valued at $33 billion in terms of 1957-59 farm prices. About 82 percent of this total was used by U.S. civilian consumers and 13½ percent went for export (table 5, part B). The military took 2 percent of total food products and the remaining 3 percent went for nonfood uses. Military food use increased about 10 percent over 1965 and exports were 9 percent larger. Total civilian food use increased about 2 percent despite the step-up in military takings and exports.

The current value of exports of total agricultural commodities was 12 percent above a year earlier in January-November 1966 and exceeded the value of imports by over $2 billion (table 6). Exports were much larger for wheat and other grains, but lower for total animal products.

Central military food procurement totaled $1.1 billion in 1966, compared with $1.0 billion a year earlier (table 7). Military takings in the first 3 quarters of 1966 exceeded a year earlier, but in the fourth quarter they fell below a year earlier. About 2.3 percent of the total quantity of food used in the United States was taken by the military in 1966, up from 2.1 percent in 1965. The military accounted for 1.6 percent of the total population on July 1, 1966, and 1.4 percent a year earlier.

Military food takings probably will increase again this year although the gain is not expected to be as great as in 1966. Exports and civilian food use also are expected to be larger so the total use of food products likely will reach a new record in 1967.

1/ Total dairy product imports exceeded the 33 percent increase shown in table 6 because imports of butterfat-sugar mixtures, which rose sharply, are listed with "other products."

Table 6.--Value of exports and value of imports for consumption, January-November, 1965 and 1966 1/

	Exports			Imports		
	1965	1966 2/	Change	1965	1966 2/	Change
	Mil. dol.	Mil. dol.	Pct.	Mil. dol.	Mil. dol.	Pct.
All commodities	24,430	27,223	11	19,160	23,213	21
Nonagricultural commodities	18,850	20,971	11	15,502	19,074	23
Agricultural commodities	5,580	6,252	12	3,659	4,140	13
Supplementary items, total	---	---	---	2,008	2,418	20
Animals and animal products	717	673	-6	821	1,039	27
Dairy products	183	121	-34	63	84	33
Fats, oils, and greases	206	175	-15	2	1	-50
Meat and meat products	101	107	6	405	574	42
Poultry products	63	62	-2	---	4	---
Live animals	33	31	-6	96	101	5
Hides and skins (except furs)	96	144	50	67	80	19
Wool	8	8	0	144	146	1
Other	28	24	-14	42	50	19
Vegetable products	4,864	5,580	15	1,186	1,379	16
Cotton	437	367	-16	20	24	20
Fruits and preparations	287	292	2	113	120	6
Grains and preparations	2,386	2,951	24	35	37	6
Oilseeds and products	1,008	1,096	9	159	183	15
Tobacco	327	415	27	121	118	-2
Vegetables and preparations	142	162	14	106	153	44
Nuts and preparations	39	35	-10	66	74	12
Sugar	---	---	---	417	501	20
Other	237	263	11	148	169	14
Complementary items, total	---	---	---	1,652	1,723	4
Bananas	---	---	---	144	165	15
Coffee	---	---	---	951	1,002	5
Cocoa beans and products	---	---	---	130	125	-4
Tea	---	---	---	53	53	---
Rubber, crude	---	---	---	48	52	8
Wool, unmanufactured	---	---	---	184	179	-3
Other	---	---	---	143	146	2

1/ Based on data compiled from Foreign Agricultural Trade of the United States. Data may not add precisely because of rounding.

2/ Preliminary.

Table 7.--Military food procurement, 1964-66 1/ 2/

Item	1964	1965					1966					Percent change, 1965-66
		I	II	III	IV	Year	I	II	III	IV	Year	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Meat: 3/												
Beef and veal	528	130	151	160	157	598	162	190	166	165	683	14
Pork	196	54	55	62	70	241	62	62	65	66	255	6
Other	3	1	1	1	1	4	1	1	1	2	5	25
Fish 4/	23	6	6	6	6	24	7	8	9	15	39	62
Chicken and turkey 5/	123	28	32	36	38	134	34	39	38	42	153	14
Eggs 6/	120	32	38	29	48	147	38	43	39	39	159	8
Dairy products 7/	117	30	34	37	35	136	32	29	40	32	133	-2
Fats and oils 8/	87	26	28	27	38	119	20	56	36	47	159	34
Fruits:												
Fresh	186	43	45	38	47	173	46	44	38	57	185	7
Processed	231	38	55	141	125	359	59	104	124	181	468	30
Vegetables:												
Fresh 9/	694	165	190	150	250	755	215	247	167	269	898	19
Processed	306	65	68	114	215	462	58	64	85	239	446	-4
Cereal products:												
Wheat flour 10/	164	47	51	31	67	196	56	72	46	54	228	16
Other cereal products	28	6	10	10	13	39	6	10	18	7	41	5
Sugar and sirups 11/	140	47	30	56	38	171	56	48	32	53	189	11
Beverages 12/	53	14	15	16	21	66	16	13	15	14	58	-12
Value of central procurement 13/ (million of dollars)	$781	$191	$243	$262	$334	$1,030	$246	$287	$278	$307	$1,118	9
Percentage of total quantity of food use in the U.S. 14/	1.9%	---	---	---	---	2.1%	---	---	---	---	2.3%	10

1/ Centrally procured items only. 2/ Data in terms of product weight unless otherwise indicated. 3/ Carcass weight basis. 4/ Major fish and shellfish items only. 5/ Ready-to-cook basis. 6/ Shell equivalent. 7/ Centrally procured manufactured dairy products plus USDA donations of butter and cheese; excludes fluid milk and cream, cottage cheese, and frozen desserts. 8/ Includes salad dressing, mayonnaise, and peanut butter; excludes butter. 9/ Includes potatoes and sweetpotatoes. Dehydrated onions and potatoes are converted to fresh weight equivalent. 10/ Wheat flour equivalent. 11/ Excludes sweeteners in manufactured products. 12/ Coffee, roasted bean basis; tea, leaf basis; and beverage cocoa. 13/ Includes minor amounts of non-food products and food items other than those listed above. 14/ Estimate of total military consumption; derived from data in table 5.

Based primarily on data from the U.S. Department of Defense, Defense Personnel Support Center, Philadelphia, Pa.

Per Capita Food Consumption Up

Per capita food consumption increased 0.8 percent in 1966. Both animal and crop products were up. This year, consumption of crop products likely will increase as much or more than in 1966, but little change is expected for total animal products. As a result, per capita consumption of total food products likely will rise significantly again this year. Consumption may approach the record high level of 103.5 (1957-59=100) reached in 1946 (table 2).

Livestock Product Consumption

Per capita consumption of total livestock products increased progressively through 1966 from a low point in the first quarter. Part of the increase was seasonal; consumption usually is lowest in either the first or second quarters of the year. But, the increase between the first and fourth quarters was stronger than usual in 1966, due principally to an increase for pork. Livestock product consumption in the first half of 1967 is expected to be slightly larger than a year earlier, but in the second half it is expected to be below year-earlier levels.

Beef consumption in 1966 increased to 103 pounds per capita (carcass weight), up 4 pounds from 1965 and an alltime record (table 8). Beef consumption likely will remain near year-earlier levels until mid-1967. However, consumption may drop in the second half year if producers reduce marketings as now expected. Veal consumption dropped 0.5 pound per capita in 1966, and a further drop is likely this year.

Pork consumption dropped an average of about 1 pound per capita in 1966. Pork consumption ran well below a year earlier in the first half year but above in second half. This increased rate of consumption likely will carry through most of 1967, since farrowings are running above a year earlier. The expected increase in pork consumption in 1967 is expected to offset much of the lower beef consumption.

Lamb consumption increased 0.3 pound per capita last year because of increased imports. Per capita consumption of fishery products declined by 0.4 pound in 1966, with all of the drop among canned products.

Lower red meat consumption this year likely will be counterbalanced by a gain for poultry products. Consumption of turkey and chicken probably will increase significantly on top of the gains made in 1966. The rate of increase for chicken is expected to be about the same as in 1966, but turkey consumption likely will be much stronger than the gain in 1966.

Egg consumption in 1966 averaged 303 eggs per person, down 2 percent from 1965. Higher egg prices last year stimulated an uptrend in production that is being felt in first quarter 1967. A continued increase in output is expected throughout the year. For the year, per capita egg consumption may rise for the first time since 1951. Since that time, per capita egg consumption has dropped nearly one-fourth.

Table 8.--Civilian per capita consumption of major food commodities, primary distribution weight, and civilian population, selected periods, 1947-66 1/

Commodity	Average 1947-49	Average 1957-59	1963	1964	1965	1966 Prelim-inary	1966 as a percentage of 1947-49	1966 as a percentage of 1957-59	1966 as a percentage of 1965
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent	Percent	Percent
Meats (carcass weight) - Total	148.5	156.6	169.5	174.5	166.9	169.8	114	108	102
Beef	65.6	82.1	94.3	99.7	99.3	103.3	157	126	104
Veal	9.7	7.1	4.9	5.2	5.2	4.7	48	66	90
Lamb and mutton	4.8	4.4	4.9	4.2	3.7	4.0	83	91	108
Pork (excluding lard)	68.4	63.0	65.4	65.4	58.7	57.8	85	92	98
Fish (edible weight) - Total	10.7	10.5	10.7	10.5	11.0	10.6	99	101	96
Fresh and frozen	5.9	5.7	5.8	5.9	6.1	6.2	105	109	102
Canned 2/	4.2	4.2	4.4	4.1	4.4	3.9	93	93	89
Cured	.6	.6	.5	.5	.5	.5	83	83	100
Poultry products									
Eggs (farm basis) - Number	385	356	316	313	308	303	79	85	98
Chicken (ready-to-cook)	18.7	27.5	30.8	31.2	33.3	35.5	190	129	107
Turkey (ready-to-cook)	3.3	6.0	6.7	7.2	7.4	7.6	230	127	103
Dairy products									
Total milk fat solids	29.5	25.6	23.3	23.3	23.0	22.5	76	88	98
Total nonfat milk solids	42.9	43.8	41.6	41.6	41.1	41.0	96	94	100
Cheese	7.0	7.9	9.2	9.4	9.5	9.9	141	125	104
Condensed and evaporated milk	20.1	14.8	11.6	11.3	10.6	10.1	50	68	95
Fluid milk and cream	359	335	307	305	302	300	84	90	99
Ice cream (product weight)	18.7	18.4	18.0	18.2	18.5	18.2	97	99	98
Fats and oils - Total, fat content 3/	42.4	45.3	46.3	47.5	47.7	48.7	115	108	102
Butter (actual weight)	10.6	8.2	6.8	6.8	6.4	5.7	54	70	89
Margarine (actual weight)	5.6	8.9	9.6	9.7	9.9	10.7	191	120	108
Lard	12.4	9.3	6.4	6.3	6.4	5.5	44	59	86
Shortening	9.6	11.4	13.5	13.7	13.9	15.9	166	139	114
Other edible fats and oils	7.3	10.8	13.1	14.1	14.2	14.0	192	130	99
Fruits									
Fresh (farm weight) - Total	132.8	95.7	76.1	81.8	83.6	84.0	63	88	100
Citrus	54.8	33.5	22.1	26.1	29.0	29.2	53	87	101
Apples (commercial)	25.5	21.6	18.4	20.1	18.4	18.1	71	84	98
Other (excluding melons)	52.5	40.6	35.6	35.6	36.2	36.7	70	90	101
Processed:									
Canned fruit	18.9	22.5	23.1	23.3	23.6	23.0	122	102	97
Canned juice	15.9	13.5	12.9	11.4	10.9	11.7	74	87	107
Frozen (including juices)	3.2	8.6	8.0	7.4	8.5	8.4	262	98	99
Dried	3.9	3.3	3.0	3.0	2.8	2.9	74	88	104
Vegetables									
Fresh 4/	120.5	104.3	103.2	100.8	100.4	99.0	82	95	99
Canned, excluding potatoes and sweetpotatoes	38.5	43.0	45.0	44.5	45.6	45.8	119	107	100
Frozen, excluding potatoes	2.8	6.6	7.4	8.0	8.5	8.7	311	132	102
Potatoes and sweetpotatoes									
Potatoes, fresh equivalent 5/	113.8	106.8	112.1	110.3	107.2	117.1	103	110	109
Frozen potatoes, product weight	6/	1.6	4.5	5.8	5.7	6.7	---	419	118
Sweetpotatoes, fresh equivalent 5/	13.0	8.3	7.4	6.4	7.7	7.2	55	87	94
Dry edible beans	6.7	7.7	7.7	7.6	6.6	6.9	103	90	105
Melons	27.4	25.1	24.7	23.2	23.9	22.2	81	88	93
Sugar (refined)	95.2	96.1	96.6	96.5	96.5	97.4	102	101	101
Grains									
Cornmeal and flour	12.9	7.4	5.9	5.8	5.7	5.6	43	76	98
Corn sirup	9.9	9.4	12.3	13.6	13.6	14.0	141	149	103
Corn sugar	4.2	3.6	4.5	4.4	4.5	4.6	110	128	102
Oat food products	3.3	3.5	3.7	3.7	3.7	3.7	112	106	100
Wheat flour 7/	137	120	116	116	116	116	85	97	100
Wheat cereals	3.2	2.8	2.9	2.9	2.9	2.9	91	104	100
Rye flour	1.4	1.2	1.1	1.1	1.1	1.1	79	92	100
Rice, milled	4.9	5.4	6.6	7.0	7.6	7.2	147	133	95
Other									
Coffee (green beans)	18.2	15.7	15.7	15.3	14.8	14.6	80	93	99
Tea	.58	.60	.67	.69	.69	.70	121	117	101
Cocoa beans	4.0	3.5	3.9	3.9	4.0	4.1	102	117	102
Peanuts (shelled)	4.4	4.6	5.0	5.3	5.6	5.8	132	126	104
	Million	Million	Million	Million	Million	Million			
Civilian population 8/	145.1	171.5	186.7	189.4	191.9	193.7	133	113	101

1/ Quantity in pounds except for eggs which are stated in number. Data on calendar year basis except for dried fruits, which are on pack year basis, fresh citrus fruits and peanuts on a crop year basis, and rice on August 1 year. All years begin in the year indicated except for fresh citrus, which begins in October of the previous year, and rice, which begins in August of previous year. 2/ Includes fish content of items such as clam chowder. 3/ Computed from unrounded data. 4/ Covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets. Excludes farm garden output for farm household use. 5/ Includes quantities canned and frozen. 6/ Less than 0.05 pound. 7/ Includes white, whole wheat, and semolina flour. 8/ Census estimates of July 1 civilian population (50 States beginning 1960). Used to derive per capita figures except for sugar, dried fruit, peanuts, and rice.

Three percent lower milk production last year resulted in only a 1 percent reduction in per capita consumption of total dairy products because imports rose and stocks worked down. Cheese was the prime exception; per capita consumption increased 4 percent. Butter consumption dropped to less than 6 pounds per capita. Increased margarine consumption, at nearly 11 pounds, offset the loss for butter. Donations of butter and cheese from CCC supplies for school lunch and welfare programs dropped sharply in 1966. In 1967, per capita consumption of total dairy products may again decline slightly but not as much as in 1966. Use of cheese probably will rise again but use of fluid milk, butter, and evaporated milk likely will decline.

Consumption of Crop Products

Per capita consumption of total vegetable oils increased about 7 percent in 1966 in contrast to a 10 percent decline for animal fats. Consumption of both margarine and shortening increased substantially. Total fats and oils consumption increased 1 pound per capita. Consumption this year is expected to average about the same as in 1966. A further increase is likely for vegetable oils and decrease for animal fats, although the changes probably will not be nearly as large as in 1966.

Total fruit consumption per capita increased slightly in 1966. Fresh fruit consumption averaged about the same as a year earlier, but consumption of canned and frozen fruit declined. Both canned juices and chilled fruit juices increased. The 1966/67 citrus crop is expected to be one-fourth larger than a year earlier. The 1966 noncitrus pack of canned fruit was larger than a year earlier. Stocks of peaches, pears, and fruit cocktail currently are above a year earlier, but canned apple products are in smaller supply. Per capita consumption of total fruit in 1967 is expected to average well above 1966, with most of the increase for citrus products.

Fresh vegetables were in relatively short supply last winter and again in late summer. But for all of 1966, per capita consumption averaged only slightly smaller than in 1965. Canned and frozen vegetable consumption averaged slightly larger, so per capita consumption of total vegetables averaged the same as in 1965. Fresh supplies this winter are expected to be moderately larger than a year earlier. More carrots, celery, and lettuce, but fewer tomatoes and onions are in prospect. Stocks of processed vegetables are about as large as a year earlier. A larger pack of processed vegetables is likely this year, so total consumption probably will increase slightly.

Potato supplies this winter and spring likely will be somewhat smaller than a year earlier. New crop acreages are expected to be below a year earlier and carryover supplies slightly smaller. The shift from use of fresh to processed potatoes likely will continue this year, but total potato consumption probably will not change much from 1966. Sweetpotato and dry pea supplies this winter and spring are much smaller than a year earlier. Because of a record crop last fall, edible dry bean supplies are sharply larger than last year. Large USDA bean donations are indicated and likely will account for 10 to 15 percent of total domestic use.

The 1967 wheat crop may be nearly a fourth larger than a year earlier and reach a total of around 1.6 billion bushels according to current indications, whereas only slightly more than 0.5 billion bushels usually are used for domestic food. Consumption of wheat flour probably will remain near the 116 pounds per capita in 1966 and wheat cereal consumption likely will remain near last year's 2.9 pounds. Per capita rice consumption this year probably will increase slightly from last year's 7.2 pounds.

Per capita consumption of food products made from corn increased again in 1966. Nearly 200 million bushels of corn were processed into food products for domestic use last year. Per capita consumption of corn sirup, corn sugar (dextrose), corn oil, ready-to-eat corn cereals, and hominy has been increasing in recent years; but consumption of cornmeal and flour has been trending downward.

Per capita consumption of refined sugar last year averaged 97 pounds per capita, up a pound from a year earlier. New quarterly consumption estimates for sweeteners and cocoa products are being published in this report for the first time (see special article, pp. 21-26).

FISHERY PRODUCTS SITUATION 1/

At the beginning of 1967, total supplies of fishery products were heavier than a year ago. Frozen stocks of ocean perch and cod fillets, dressed whiting, fish sticks and portions, halibut, and lobster tails were relatively abundant. Canned salmon was plentiful. Stocks of scallops and crabs (including crab meat) were lower. Total supplies should be ample to meet the usual upsurge in demand during the coming Lenten season.

Per capita consumption of fishery products dipped to 10.6 pounds (edible weight) in 1966, down 0.4 pound from 1965, but about the same as in 1962-64. Consumption of fresh and frozen fishery products gained in 1966. At an estimated 6.2 pounds per person, they were the highest since the early 1950s. All of the decline was in canned fishery products, which dropped 0.5 pound to 3.9 pounds in 1966. Consumption of cured fishery products held at 0.5 pound per person.

No single factor caused the decline in per capita consumption during 1966. Higher prices, accompanying lower availability of canned tuna and pink salmon early in 1966, probably contributed to the decline. The effect of the change in the fasting requirement of the Roman Catholic church is under study.

1/ Prepared by the Fish and Wildlife Service, U.S. Department of the Interior.

SWEETENER SITUATION

Final U.S. sugar requirements for consumption in 1966 were set by the Secretary of Agriculture at 10,375,000 tons (raw value).1/ The current determination of U.S. consumption requirements for 1967 is 10,300,000 tons. Imports for the first quarter of 1967 are limited to 900,000 tons and for the second quarter to 1,000,000 tons.

Farm acreage allotments--an administrative means of restricting domestic sugar production--were in effect for the 1965 and 1966 mainland cane and beet crops. Acreage allotments for the 1967 crop grown in the mainland cane area will continue in effect, but they will not be established for the 1967 sugar beet crop. Beet sugar inventories as of January 1, 1967, were sufficiently low that increased output is needed to maintain beet sugar supplies at desirable levels and encourage orderly marketing of beet sugar. Nevertheless, beet sugar marketings will be limited to 3,025,000 tons this year unless U.S. consumption requirements are increased above 10,400,000 tons.

U.S. refined sugar consumption in 1966 totaled about 9,588,000 tons, about 1.7 percent more than in 1965, based on preliminary data. Per capita consumption of 97.4 pounds in 1966 was a pound above that in 1965. Incomplete data (January-September) suggest that retail consumer purchases of sugar in 1966 were about the same as in 1965, but that industrial user purchases were about 7 to 9 percent larger. Refined beet sugar deliveries last year--about 30 percent of the total--were about the same as in 1965. Refined cane sugar use was about 4 percent larger. In the major consuming areas, sugar distributed was up about 3 percent in Illinois and the combined New York-New Jersey-Pennsylvania area, and up about 9 percent in California.

U.S. retail sugar prices increased less (2 percent) than the average for other foods (5 percent) in 1966. At the refined wholesale level, the average sugar price increase was slightly less than 3 percent, and at the raw sugar level, up about 3.5 percent. Nevertheless, sugar prices rose more than usual last year. The average increase in sugar prices--raw, wholesale refined, and U.S. average retail--has ranged between 0.8 and 2.0 percent per year since 1948. Sugar prices in 1967 are expected to differ only slightly from those in 1966.

1/ 107 pounds of sugar, raw value, is equivalent to 100 pounds of refined sugar.

QUARTERLY CONSUMPTION OF CALORIC SWEETENERS AND COCOA 1/

There is considerable interest in seasonal variation in food consumption. Frequently, such data are needed to explain current market situations. Quarterly data are also necesary for short-run demand analysis. In response to this need, quarterly per capita consumption data for caloric sweeteners and cocoa are presented here for the first time.

Seasonal variation for some of these products is considerably greater than for others. For dextrose and cocoa, consumption usually varies 10 to 20 percent between the low and high quarters of the year but for sugar and corn sirup, the seasonal variation amounts to 30 to 40 percent. Quarterly patterns of consumption--as a percent of annual total--have changed only slightly for any of these products over the periods analyzed.

Annual per capita consumption of each of these products except sugar has increased since the 1950s. The increase has been greatest for corn sirup.

Refined Sugar 2/

Annual per capita sugar consumption has been relatively stable since 1935 (except during World War II). During this period, per capita consumption averaged about 97 pounds annually with only minor year-to-year fluctuations (table 9).

There has been considerable seasonal variation in sugar consumption during 1935-66. Consumption typically was lowest in the first quarter (20-22 pounds per capita), increased in the second quarter (24-26 pounds), and reached a peak in the third quarter (28-30 pounds) before declining in the last quarter (22-24 pounds). Third quarter consumption was normally 35 to 40 percent larger than the first quarter. Consumption of sugar in the second and third quarters rises because use of sugar in commercial soft drinks, fruit drinks, and ice cream increases with warmer weather. Similarly, warm weather stimulates increased household use in home prepared foods and drinks. Moreover, sugar used in processed fruits reaches a peak in the third quarter.

While there was considerable seasonal variation in sugar consumption from quarter to quarter within each year, there has been little change in the quarterly pattern since 1935 (except World War II). The only noticeable change is that first quarter consumption is down nearly a pound and third quarter consumption is up by about the same amount (table 9).

Corn Sweeteners--Dry Basis 3/

Per capita consumption of corn sirup increased substantially, from an average of 8.4 pounds in 1950-54 to 12.4 pounds in 1966 (table 10). The

---

1/ By Frederick D. Gray, Food Consumption and Utilization Section, Economic and Statistical Analysis Division, Economic Research Service.

2/ 100 pounds of refined sugar is equivalent to 107 pounds of sugar, raw value.

3/ Dry basis is commercial weight multiplied by factor 0.92 for dextrose and 0.803 for corn sirup.

Table 9.--Cane and beet sugar, refined basis 1/: Estimated per capita consumption, by quarters, 1935-66 2/

Period	Estimated consumption 3/					Percentage of annual total			
	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.	Annual total	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.
	Lb.	Lb.	Lb.	Lb.	Lb.	Pct.	Pct.	Pct.	Pct.
Average:									
1935-39	22.0	25.1	27.8	22.6	97.5	22.6	25.8	28.4	23.2
1940-44	21.6	22.9	26.7	22.5	93.7	23.1	24.4	28.5	24.0
1945-49	19.0	23.0	26.4	20.3	88.7	21.6	25.9	29.6	22.9
1950-54	21.4	24.5	29.2	21.8	96.9	22.1	25.3	30.1	22.5
1955-59	20.4	25.1	28.1	22.9	96.5	21.2	26.0	29.1	23.7
1960-64	21.2	25.3	28.4	22.4	97.3	21.7	26.0	29.3	23.0
1935	22.0	26.4	27.0	22.4	97.8	22.5	27.0	27.6	22.9
1936	22.7	24.8	26.7	23.1	97.3	23.3	25.5	27.4	23.8
1937	22.7	25.2	27.3	21.2	96.4	23.5	26.2	28.3	22.0
1938	21.3	23.7	27.2	23.0	95.2	22.4	24.9	28.5	24.2
1939	21.4	25.5	30.5	23.4	100.8	21.3	25.3	30.2	23.2
1940	19.9	24.1	28.4	23.3	95.7	20.8	25.1	29.7	24.4
1941	25.7	24.7	29.2	24.7	104.3	24.6	23.6	28.1	23.7
1942	22.0	20.8	23.3	19.5	85.6	25.7	24.3	27.2	22.8
1943	19.0	21.9	24.4	20.8	86.1	22.1	25.5	28.3	24.1
1944	21.6	22.9	28.2	24.1	96.8	22.4	23.6	29.1	24.9
1945	20.6	21.1	22.0	19.1	82.8	24.8	25.5	26.6	23.1
1946	17.2	19.6	21.3	17.0	75.1	22.9	26.1	28.3	22.7
1947	18.9	24.9	29.1	22.2	95.1	19.9	26.1	30.6	23.4
1948	18.7	24.5	29.2	21.7	94.1	19.9	26.0	31.0	23.1
1949	19.7	24.7	30.3	21.7	96.4	20.5	25.6	31.4	22.5
1950	20.2	26.4	32.2	21.8	100.6	20.1	26.2	32.0	21.7
1951	19.5	25.3	27.8	21.4	94.0	20.8	26.9	29.6	22.7
1952	22.5	24.7	28.5	21.4	97.1	23.1	25.5	29.4	22.0
1953	22.8	22.9	29.3	22.2	97.2	23.4	23.6	30.1	22.9
1954	22.0	23.2	28.2	22.2	95.6	23.0	24.2	29.5	23.3
1955	21.3	24.7	28.8	21.5	96.3	22.1	25.7	29.8	22.4
1956	21.1	24.2	28.6	23.9	97.8	21.5	24.7	29.4	24.4
1957	19.3	26.0	26.8	22.9	95.0	20.3	27.4	28.2	24.1
1958	20.3	24.7	27.9	23.9	96.8	20.9	25.5	28.9	24.7
1959	20.2	25.7	28.4	22.1	96.4	21.0	26.6	29.5	22.9
1960	21.8	25.4	29.4	22.0	98.6	21.3	26.0	30.2	22.5
1961	20.7	26.6	28.3	22.1	97.7	21.3	27.2	28.9	22.6
1962	20.7	24.8	29.4	22.3	97.2	21.3	25.5	30.2	23.0
1963	22.3	24.8	26.9	22.6	96.6	23.1	25.7	27.9	23.3
1964	20.6	24.7	28.2	23.0	96.5	21.3	25.6	29.3	23.8
1965	21.1	24.5	28.3	22.6	96.5	21.9	25.4	29.3	23.4
1966 4/	21.6	24.2	29.2	22.4	97.4	22.2	24.8	30.0	23.0

1/ 100 pounds of refined sugar is equivalent to 107 pounds of sugar raw value.
2/ Per capita consumption based on entire population including military.
3/ Consumption reflects sugar disappearance through marketing channels.
4/ Preliminary.

Source: Calculated from Sugar Reports, and U.S. Food Consumption, Statistical Handbook No. 364, June 1965, p. 157, and subsequent supplements.

Table 10--Corn sweeteners, dry basis 1/: Estimated per capita consumption, by quarters, 1949-66 2/

Period	Estimated consumption 3/					Percentage of annual total			
	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.	Annual total	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.
	Lb.	Lb.	Lb.	Lb.	Lb.	Pct.	Pct.	Pct.	Pct.
	Dextrose								
Average:									
1950-54	1.1	1.0	1.2	1.1	4.4	24.5	23.6	28.1	23.8
1955-59	1.0	1.1	1.0	1.0	4.1	23.2	25.4	26.2	25.2
1960-64	1.1	1.2	1.2	1.1	4.6	24.1	25.7	25.8	24.4
1949	1.1	1.0	1.4	1.0	4.5	23.7	21.0	32.2	23.1
1950	1.1	1.2	1.5	1.1	4.9	21.3	24.8	31.1	22.8
1951	1.1	1.0	1.3	1.1	4.5	23.8	21.8	29.9	24.5
1952	1.1	1.0	1.2	1.0	4.3	26.0	23.4	26.7	23.9
1953	1.1	1.0	1.2	1.1	4.4	25.7	23.2	26.6	24.5
1954	1.0	1.0	1.1	1.0	4.1	25.6	24.6	26.4	23.4
1955	.9	1.0	1.0	1.0	3.9	23.2	25.3	26.5	25.0
1956	1.0	1.0	1.0	1.0	4.0	23.3	25.1	25.8	25.8
1957	.9	1.0	1.0	.9	3.8	23.0	25.6	26.1	25.3
1958	1.0	1.1	1.1	1.1	4.3	23.1	24.9	26.6	25.4
1959	1.0	1.2	1.1	1.1	4.4	23.3	26.1	26.1	24.5
1960	1.0	1.1	1.1	1.0	4.2	24.2	25.6	26.3	23.9
1961	1.0	1.1	1.1	1.1	4.3	23.5	26.1	25.8	24.6
1962	1.1	1.1	1.2	1.1	4.5	24.0	25.1	26.0	24.9
1963	1.1	1.3	1.3	1.3	5.0	22.2	25.6	26.4	25.8
1964	1.3	1.3	1.2	1.1	4.9	26.4	26.2	24.6	22.8
1965	1.2	1.2	1.3	1.2	4.9	23.8	25.0	26.6	24.6
1966 4/	1.1	1.3	1.4	1.3	5.1	22.6	24.8	27.4	25.2
	Corn sirup								
Average:									
1950-54	2.0	1.9	2.3	2.2	8.4	23.3	22.8	27.6	26.3
1955-59	2.0	2.1	2.6	2.2	8.9	22.3	24.3	28.8	24.6
1960-64	2.2	2.6	3.1	2.7	10.6	21.0	24.4	29.4	25.2
1949	1.9	1.8	2.1	2.3	8.1	23.7	22.3	25.2	28.8
1950	1.9	1.9	2.6	2.2	8.6	21.8	22.3	30.5	25.4
1951	2.1	1.8	2.2	2.4	8.5	24.6	21.5	26.2	27.7
1952	1.9	2.0	2.2	2.1	8.2	23.1	23.7	27.2	26.0
1953	2.0	1.9	2.2	2.2	8.3	23.8	23.3	26.8	26.1
1954	1.9	1.9	2.3	2.2	8.3	23.0	23.1	27.5	26.4
1955	2.0	2.0	2.5	2.2	8.7	22.6	23.2	28.8	25.4
1956	2.0	2.1	2.5	2.2	8.8	23.0	24.2	28.3	24.5
1957	1.9	2.1	2.5	2.1	8.6	21.6	24.0	29.8	24.6
1958	2.0	2.2	2.7	2.2	9.1	22.3	23.9	29.5	24.3
1959	2.0	2.4	2.6	2.2	9.2	21.8	26.2	27.8	24.2
1960	2.1	2.3	2.9	2.3	9.6	22.3	23.6	30.0	24.1
1961	2.1	2.3	2.9	2.4	9.7	21.5	23.9	29.5	25.1
1962	2.2	2.5	3.1	2.8	10.6	21.0	24.0	28.8	26.2
1963	2.1	2.9	3.2	2.9	11.1	18.9	26.1	29.1	25.9
1964	2.6	3.0	3.6	3.0	12.2	21.7	24.2	29.6	24.5
1965	2.7	2.9	3.6	3.0	12.2	22.1	23.8	29.6	24.5
1966 4/	3.0	2.7	3.7	3.0	12.4	23.9	22.0	29.6	24.5

1/ Dry basis is commercial weight multiplied by factor 0.92 for dextrose and 0.803 for corn sirup. Dextrose data includes crude, hydrous and anhydrous dextrose. Corn sirup data includes estimates for corn sirup solids. 2/ Per capita consumption based on entire population including military. 3/ Consumption reflects corn sweetener disappearance through marketing channels. 4/ Preliminary.

Source: Calculated from Sugar Reports.

increase in consumption resulted largely from improved corn sirups and a widening of the spread between corn sirup and sugar prices. The increase in consumption was about evenly distributed among quarters.

There has been considerable seasonal variation in corn sirup consumption. During 1960-64, per capita corn sirup consumption averaged 2.2 pounds in the first quarter, increased to 2.6 pounds in the second quarter, reached a peak of 3.1 pounds in the third quarter and declined to 2.7 pounds in the last quarter. Since 1949, consumption in the third quarter was about 30 to 35 percent higher than in the first quarter. Large consumption of corn sirup in the last half year results from increased use in canned fruits, ice cream, and confectionery.

While consumption of corn sirup varies considerably from quarter to quarter within the year, there has been only a slight change in the quarterly pattern since 1949. Quarterly consumption has become slightly less important in the first and fourth quarters and slightly more important in the second and third quarters.

Per capita consumption of dextrose (corn sugar) declined slightly from 4.5 pounds in 1949 to a low of 3.8 pounds in 1957 and then increased irregularly to approximately 5.0 pounds in 1963 and thereafter (table 10).

There was only a small seasonal variation in dextrose consumption over the period observed. During 1960-64, per capita dextrose consumption increased from 1.1 pounds in the first quarter to 1.2 pounds in both the second and third quarters, and then declined to 1.1 pounds in the last quarter. Consumption in the high quarter is usually no more than 10 to 15 percent more than in the low quarter. About half the dextrose consumed in the United States is used in commercial bakery products, the output of which generally has little seasonal variation. Similarly, use of dextrose in other commercially prepared foods has varied but little from quarter to quarter.

There have been only small changes in the quarterly pattern of consumption during 1949-66. Consumption in the third quarter has become slightly less important and in the second quarter slightly more important.

Cocoa and Chocolate 4/

Per capita consumption of cocoa and chocolate (cocoa bean equivalent 5/) increased from an average of 3.5 pounds during 1955-59 to 4.1 pounds in 1966 (table 11). Increased cocoa use apparently was stimualted by relatively low cocoa bean prices in recent years.

There is a small seasonal variation in cocoa consumption. During 1960-64, per capita cocoa consumption declined slightly in the first and second quarters

4/ Robert G. Ainsworth, formerly with the Food Consumption Section, ERS, was primarily responsible for developing the quarterly cocoa products data.

5/ The cocoa bean equivalent may be converted to an unsweetened chocolate basis (chocolate liquor) by the factor 0.80.

Table 11.--Cocoa and chocolate, cocoa bean equivalent basis 1/: Civilian per capita consumption, by quarters, 1953-66

Period	Estimated consumption					Percentage of annual total			
	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.	Annual total	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.
	Lb.	Lb.	Lb.	Lb.	Lb.	Pct.	Pct.	Pct.	Pct.
Average:									
1955-59	0.91	0.85	0.81	0.94	3.5	25.9	24.1	23.2	26.8
1960-64	.98	.92	.89	1.03	3.8	25.6	24.2	23.3	26.9
1953	1.06	.92	.90	.97	3.8	27.5	23.9	23.4	25.2
1954	.85	.77	.78	.88	3.3	25.9	23.5	23.8	26.8
1955	.81	.74	.80	.88	3.2	25.1	22.9	24.8	27.2
1956	.95	.90	.84	1.00	3.7	25.7	24.4	22.8	27.1
1957	.99	.94	.83	1.04	3.8	26.1	24.7	21.8	27.4
1958	.88	.78	.78	.88	3.3	26.5	23.5	23.5	26.5
1959	.91	.88	.81	.91	3.5	25.9	25.1	23.1	25.9
1960	.93	.87	.82	.96	3.6	26.0	24.3	22.9	26.8
1961	.95	.96	.91	1.07	3.9	24.4	24.7	23.4	27.5
1962	.96	.93	.89	1.01	3.8	25.3	24.5	23.5	26.7
1963	1.02	.91	.92	1.03	3.9	26.3	23.5	23.7	26.5
1964	1.02	.93	.90	1.06	3.9	26.1	23.8	23.0	27.1
1965	1.02	.97	.93	1.15	4.1	25.1	23.8	22.8	28.3
1966 2/	1.06	.98	.97	1.09	4.1	25.8	23.9	23.7	26.6
1967									
1968									
1969									

1/ Consumption data may be converted to an unsweetened chocolate basis (chocolate liquor) by using a factor of 0.80 because there is an approximate loss of 20 percent in removing the shells, roasting, and grinding the chocolate nibs.

2/ Preliminary

Source: Foreign trade data from Foreign Trade Division, U.S. Bureau of the Census. Processed and semiprocessed cocoa and chocolate products are converted to bean equivalent using conversion factors from Conversion Factors and Weights and Measures, Stat. Bul. No. 362, June 1965, pp. 42-43. Quarterly cocoa bean grind from Business and Services Administration, U.S. Dept. of Commerce.

to a low of 0.89 pound in the third quarter and reached a peak of 1.03 pounds in the last quarter, a 15 to 20 percent seasonal variation. A substantial portion of cocoa and chocolate apparently is produced during the second and third quarters for later use in confectionery, the major use of cocoa and chocolate. There was virtually no change in the quarterly consumption pattern of cocoa during 1953-66.

Methodology

Estimates of quarterly consumption are based on disappearance measured at an early point in domestic marketing channels. Stock data generally are not available from commercial food processors, wholesalers, and retailers. Actual use of these products by consumers may occur in a later quarter because of the lag between market disappearance and final consumption. This lag may be longer for sweeteners and cocoa than for many other products because of the large use of these products in commercially processed products.

For corn sweeteners, both annual and quarterly consumption consist of reported domestic deliveries (imports are negligible). For cocoa, the consumption data consist of the domestic cocoa bean grind plus the net cocoa bean equivalent of imported processed cocoa and chocolate products.

Annual sugar consumption is measured by 2 different methods.6/ Method A measures deliveries from refiners and importers to primary buyers, such as industrial and institutional users, and to wholesalers and retailers. An adjustment is made for annual changes in "invisible" stocks (inventories held by primary buyers). Method B measures consumption as total annual supply adjusted to changes in visible stocks (stocks held by sugar refiners and beet sugar companies) minus exports and livestock feed use. A balancing item--consisting mostly of refining loss--reconciles the difference between Method A and Method B.

There are substantial measurement problems in using Method B for quarterly data. Consequently, quarterly consumption data for sugar are derived by using quarterly deliveries adjusted to annual consumption data.

6/ For further information on derivation of annual data on sugar consumption, see U.S. Food Consumption, Statistical Handbook No. 364, June 1965, pp. 156-157.

CURRENT WORLD FOOD SITUATION 1/

World Output Recovers

World output of food products in 1966 resumed the long-term uptrend, increasing about 4 percent (excluding Mainland China), compared to the world population increase of about 2 percent. Principal gains in world agriculture in 1966 were among the food commodities--new production records were set for cereals, edible oilseeds, and sugar. The gain in the output of livestock food products almost matched the gain in population. There was a large decline in world output of coffee (table 12).

During the past decade, food production has increased at a faster rate in the less-developed countries than in the developed countries, but the per capita trend in the less-developed countries has been dampened by a high rate of population growth (fig. 4). In the past decade there was some improvement in per capita food production in India until the severe drought of 1965. In 1966, per capita production recovered somewhat from the extremely low 1965 level. However, food shortages continue in India because of stock depletion and crop failure in several localities.

Per capita food production in other less-developed countries of Asia in 1966 continued the general uptrend of the past decade. Drought, tribal conflict, and widespread political instability caused a decline in per capita production in the less-developed countries of Africa for the third year in a row. Largely because of drought and poor harvest weather, per capita food production fell in Latin America in 1966, following a period of improvement during 1961-65.

Cereals

World cereal production increased more than 5 percent in 1966, following no gain in 1965. Wheat output rose more than 10 percent, with record crops in the USSR, Canada, and Australia. Although import requirements are expected to remain high in India and Mainland China in 1967, the import requirements of Eastern Europe have been reduced sharply and the USSR likely will again become a net exporter of wheat. World wheat stocks should increase in 1967, following a decline in 1966.

Output of rice, which declined in 1965, is estimated for 1966 at about the same level as the 1964 crop. Rice production declined in Mainland China, recovered somewhat in India and Pakistan, and reached a record level in Japan. Because of increased domestic consumption and a crop about the same as last year, export availabilities in the Southeast Asian rice bowl are expected to be down in 1967. Wheat and other grains will continue to fill the gap between the world supply and demand for rice.

1/ Prepared by Foreign Regional Analysis Division, ERS.

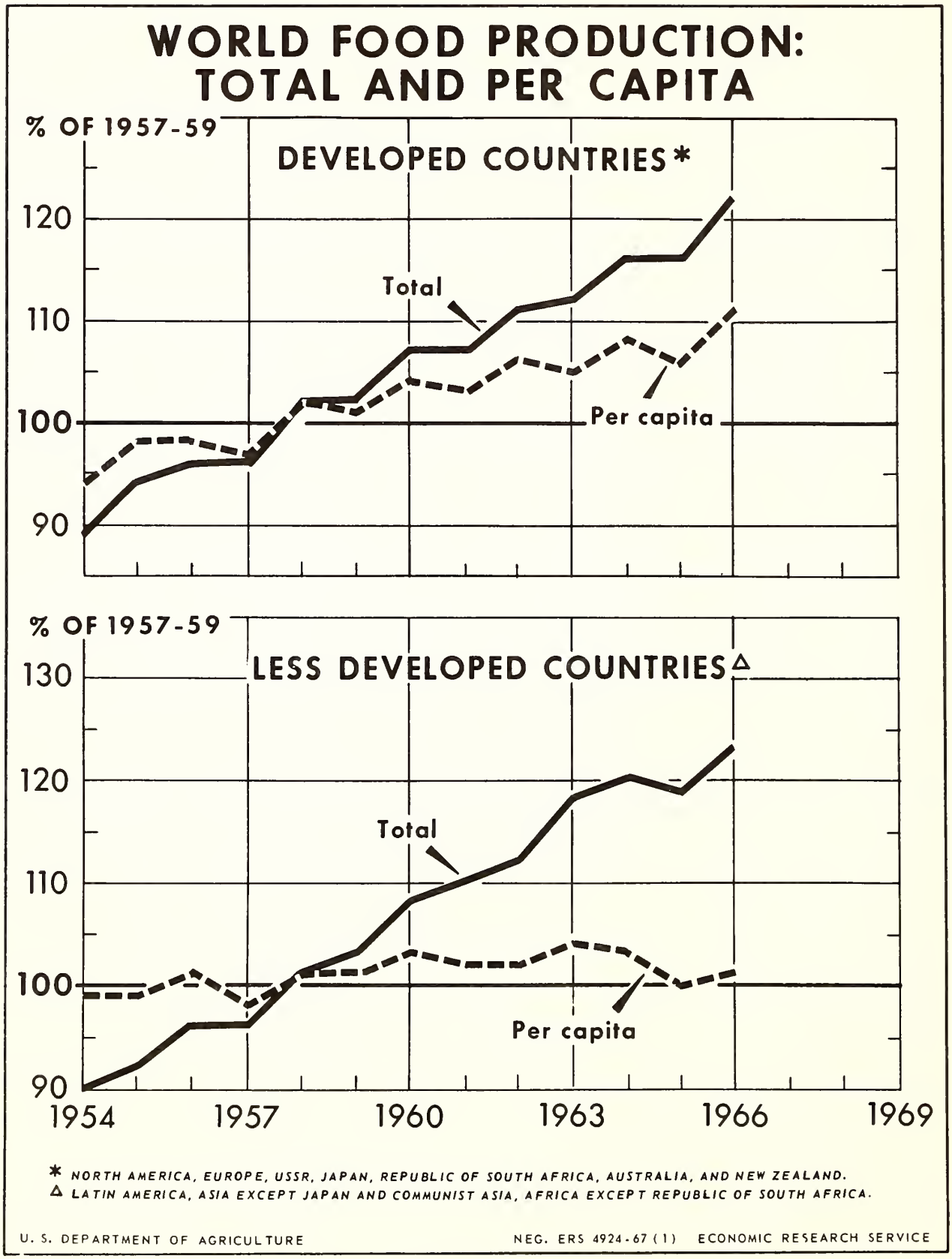

WORLD FOOD PRODUCTION:
TOTAL AND PER CAPITA
% OF 1957-59
DEVELOPED COUNTRIES*
120
110
100
90
Total
Per capita
% OF 1957-59
LESS DEVELOPED COUNTRIES△
130
120
110
100
90
Total
Per capita
1954
1957
1960
1963
1966
1969
* NORTH AMERICA, EUROPE, USSR, JAPAN, REPUBLIC OF SOUTH AFRICA, AUSTRALIA, AND NEW ZEALAND.
△ LATIN AMERICA, ASIA EXCEPT JAPAN AND COMMUNIST ASIA, AFRICA EXCEPT REPUBLIC OF SOUTH AFRICA.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 4924-67 (1) ECONOMIC RESEARCH SERVICE

Figure 4

Table12.--Estimated world production of selected agricultural commodities, average 1955-59, annual 1963-66

Commodity	Unit	Average 1955-59	1963	1964	1965	1966 1/	% change 2/ -- 1955-59 average to 1966	% change 2/ -- 1965 to 1966
							- Percent -	
Wheat	Million tons	216	226	256	247	274	27	11
Rye	Million tons	37	30	32	34	31	-17	- 9
Rice, rough 3/ 4/	Million tons	214	242	249	241	250	17	4
Corn 4/	Million tons	167	206	197	207	217	30	5
Barley	Million tons	71	88	94	92	99	39	8
Oats	Million tons	59	46	42	44	44	-27	- 1
Sorghum & millet 5/	Million tons	28	35	34	34	41	45	20
Sugar, centrifugal	Million tons	45.0	54.3	65.9	62.4	66.0	47	6
Sugar, non-cent. 6/	Million tons	6.7	8.4	8.9	7.9	8.4	25	7
Fruits, citrus	Million tons	14.5	16.6	18.1	19.6	23.7	63	21
Apples & pears 7/	Million tons	12.8	17.4	18.2	16.5	17.4	36	5
Potatoes 8/	Million tons	232	236	246	230	232	0	1
Dry beans 9/	1,000 tons	4,014	5,035	4,989	4,899	4,899	22	0
Dry peas 10/	1,000 tons	603	581	567	522	494	-18	- 5
Hops 11/	1,000 tons	71	91	93	92	93	31	1
Soybeans	Million tons	24	28	28	32	35	43	8
Peanuts	Million tons	13.4	15.2	16.2	15.6	15.9	18	2
Cottonseed	Million tons	19.3	21.8	22.6	23.2	21.3	10	-9
Flaxseed	1,000 tons	3,358	3,469	3,317	3,563	2,966	-11	-16
Sesame seed	1,000 tons	1,473	1,544	1,547	1,437	1,516	3	5
Castor beans	1,000 tons	497	684	838	713	653	31	- 8
Sunflowerseed	1,000 tons	5,125	6,125	7,741	7,477	8,328	62	11
Rapeseed	1,000 tons	3,483	3,424	3,544	4,784	4,300	23	-10
Olive oil	1,000 tons	12/ 990	1,699	982	1,206	1,289	30	7
Palm oil	1,000 tons	1,265	1,261	1,270	1,275	1,279	1	0
Palm kernel oil	1,000 tons	421	372	381	367	376	-11	2
Coconut oil	1,000 tons	2,074	2,195	2,209	2,141	2,245	8	- 5
Butter 13/	1,000 tons	14/ 4,581	4,899	4,989	5,307	5,443	19	3
Milk 15/	Million tons	14/ 259	282	285	293	298	15	2
Meats 16/	Million tons	44.5	51.3	51.6	52.2	52.6	18	1
Eggs 17/	Million tons	10.8	12.2	12.7	12.9	12.9	19	0
Lard	1,000 tons	14/ 3,080	3,180	3,030	3,121	3,084	0	- 1
Tallow & greases	1,000 tons	14/ 2,930	3,706	3,996	3,887	3,969	35	2
Tobacco	1,000 tons	3,864	4,357	4,637	4,447	4,536	17	2
Coffee	Mil. bags 18/	58.3	71.0	51.3	81.1	64.1	10	-21
Tea	1,000 tons	739	884	925	936	987	34	5
Cocoa beans	1,000 tons	887	1,237	1,504	1,227	1,389	57	13
Cotton	Mil. bales 19/	43.9	50.1	52.0	53.0	48.2	10	- 9
Wool	1,000 tons	14/ 2,443	2,640	2,620	2,624	2,657	9	1
Jute	1,000 tons	14/ 2,087	2,421	2,322	2,237	2,489	19	11
Sisal	1,000 tons	532	676	705	639	645	21	1
Henequen	1,000 tons	135	151	163	164	164	21	0
Abaca	1,000 tons	117	119	112	106	100	-15	- 6

Note: Except for rice, corn, and sorghum & millet, the data are as published by FAS. Statistics for sorghum & millet are official estimates for 9 countries compiled by ERS. Statistics refer either to calendar years or to crop years beginning in the year shown. For livestock products, rice, corn, sorghum & millet, potatoes, hops, oilseeds, (except cottonseed), oils (except olive oil) and tobacco, tea, jute, and hard fibers, the data refer to calendar years. For coffee and cocoa beans the data refer to crop years beginning July to October of the year shown. For cotton and cottonseed the data refer to crop years beginning August 1 of the year shown. For sugar the data refer to production in national sugar campaigns beginning between May 1 of the year shown and April 30 of the following year. For other commodities, harvests in the Northern Hemisphere beginning in the year shown are combined with Southern Hemisphere harvests which immediately follow.

1/ Preliminary. 2/ Computed from unrounded data. 3/ Includes Mainland China; excludes Nepal, North Korea and North Vietnam. 4/ FAS estimates adjusted to calendar years. 5/ 9 countries; calendar years. 6/Selected countries only. 7/ Dessert and cooking; 20 countries. 8/ 32 countries. 9/ 30 countries. 10/ 10 countries. 11/ 21 countries. 12/ 1954/55-1957/58 average. 13/ Product weight; includes ghee. 14/ 1956-60 average. 15/ 35 countries. 16/ 44 countries; excludes poultry and variety meets. 17/ 38 countries. 18/ 60 kg. (132 pounds) each. 19/ Bales of 480 pounds net.

Although there was no increase in coarse grain production in the United States--the world's largest producer--global output of coarse grains set a new record in 1966. Production increased in Western Europe, Eastern Europe, the USSR, and Latin America.

Edible Oilseeds

Despite a significant decline in production of cottonseed, world production of edible oilseeds (in terms of oil) increased more than 5 percent to a new high in 1966. Record crops of soybeans and sunflowerseed were harvested and the output of olive oil rose about 7 percent. The decline in world output of cottonseed was caused primarily by the diversion of cotton acreage in the United States. In 1966, world soybean and sunflowerseed crops were about 45 percent and 60 percent larger, respectively, than the average levels of 1955-59.

Other Food Crops

World production of sugar in 1966/67 is expected to surpass the record set in 1964/65. Production will exceed consumption for the third year in a row and yearend stocks should be equivalent to about 5 months consumption requirements. Contributing to the increase in production were larger 1966 crops in the USSR, the Republic of South Africa, and Western Europe and an expected recovery in the Cuban sugar crop to be harvested in the first half of 1967.

The citrus crop was one-fifth larger than in 1965 and almost two-thirds above the 1955-59 average.

Production of potatoes and beans failed to increase in 1966.

Livestock Food Products

Output of livestock food products in 1966 continued the long-term gradual uptrend. The production of pork remained at the 1965 level but the output of other meats increased with poultry meat again registering the fastest rate of gain. Milk production increased in Western Europe, Eastern Europe, the Soviet Union, Latin America, and Oceania but declined in North America.

World Prices

World agricultural prices, as measured by either the Reuter's or the Dow-Jones spot index, have continued to decline about 5 percent a year from the high levels attained during 1963, although the decline has been interrupted by seasonal pickups. In 1966 such a pickup occurred relatively early in the year, but average prices in the fall were relatively low. The index of world agricultural export prices declined gradually from 108.7 in the first quarter of 1964 to 100.8 in the third quarter of 1965, but rallied to 103.8 in the second quarter of 1966.

Table 13.--Expenditures for food as a proportion of private consumption expenditures, by countries, 1955 and 1960-64 1/

Country	1955	1960	1961	1962	1963	1964
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
North America						
Canada	23.1	23.0	22.5	22.3	21.9	21.5
United States 2/	22.6	21.3	21.2	20.7	20.2	19.8
Latin America						
Dominican Republic	50.2	49.6	48.4	43.9	47.4	47.9
Ecuador	48.3	43.9	44.1	44.0	44.2	43.9
Honduras	49.9	43.7	43.8	43.2	42.5	---
Jamaica	40.6	36.1	35.9	34.9	33.3	33.0
Panama	3/42.1	40.2	44.8	40.6	42.4	42.3
Puerto Rico	33.0	28.7	27.6	27.3	25.8	25.2
Trinidad and Tobago	37.5	35.4	36.4	36.6	---	----
Western Europe						
Austria	38.4	34.1	33.0	32.9	31.5	31.6
Belgium	29.1	27.5	27.4	27.5	26.5	26.0
Denmark	27.6	23.4	22.4	21.9	22.8	22.0
Finland	34.8	33.9	32.7	31.5	31.5	31.2
France	3/34.0	31.6	31.0	30.8	30.2	29.4
Greece	48.9	44.6	43.0	43.4	---	---
Ireland	38.3	36.4	35.3	34.5	33.2	32.2
Italy	46.8	44.6	44.1	43.1	42.7	42.3
Luxembourg 4/	3/34.7	37.6	37.3	36.8	35.2	---
Malta	40.8	34.6	34.7	35.1	36.8	35.1
Netherlands	33.7	30.6	31.0	30.2	29.8	29.4
Norway	31.6	30.0	28.9	29.6	28.3	29.0
Spain	34.3	37.5	36.9	36.6	37.4	36.5
Sweden	30.0	27.3	26.5	27.1	26.7	26.1
United Kingdom 2/	31.2	28.4	27.9	27.6	26.8	26.3
Eastern Europe						
Hungary	---	38.9	39.3	38.6	37.3	36.8
Yugoslavia	53.2	44.8	43.2	45.8	44.7	46.4
U.S.S.R.	5/50.1	---	---	---	---	---
Africa						
Ghana	48.8	47.3	48.3	51.6	54.4	58.7
South Africa	30.4	29.5	29.5	28.6	27.7	27.3
Asia						
Ceylon	3/53.9	48.6	49.1	49.7	51.6	50.0
China (Taiwan) 5/	57.8	53.3	52.4	51.9	52.1	50.8
Israel	34.4	32.8	31.8	30.9	29.8	29.1
Japan 6/	53.5	46.8	45.8	43.4	43.4	42.1
Korea, Republic of	51.8	48.1	50.3	49.2	54.9	58.5
Malaysia	---	45.6	46.8	46.4	46.3	---
Thailand	---	45.2	45.0	45.1	43.5	---
Viet Nam	---	49.8	46.1	49.4	50.0	48.2
Oceania						
Australia 2/	25.5	23.8	23.5	22.9	22.3	22.4

1/ Total expenditures, defined as those of households and private nonprofit institutions, include expenditures of residents abroad. Food expenditures, excluding beverages unless otherwise indicated, include amounts purchased by nonresidents. As a proportion of disposable personal income, U.S. food expenditures in 1964 equalled 18.4 percent. 2/ Food includes nonalcoholic beverages. 3/ Not strictly comparable with data for later years. 4/ Includes beverages beginning 1960. 5/ Food includes all beverages. 6/ Food data include beverages and tobacco.

United Nations, Yearbook of National Accounts Statistics, 1965, except datum for U.S.S.R. from A. Bergson and S. Kuznets, Economic Trends in the Soviet Union, Harvard University Press, 1963, p. 361.

Retail food prices during the year ended June 30, 1966, were 4.2 percent higher in the United States and 5.4 percent higher in Canada than a year earlier. Only in France, the United Kingdom, and Italy did retail food prices increase less than in the United States. Increases in 6 other free world countries exceeded those in the United States, with Brazil (42 percent), Argentina (35 percent), and India (8 percent) in the lead.

Expenditures for food 2/

Expenditures for food accounted for a smaller share of total private consumption expenditures in the United States than in any other country of the world for which data are available (table 13). Canada, Denmark, and Australia were not far behind the United States. These data show that U.S. expenditures for food amounted to 19.8 percent of private consumption expenditures in 1964. In that same year, food expenditures accounted for 18.4 percent of disposable personal income. The comparsion of food expenditures with income is most commonly used for U.S. data in this report, but they are not available on this basis for most foreign countries.

Food expenditures as a proportion of private consumption expenditures were reduced by North and most South American and Western European countries between 1963 and 1964. Dominican Republic, Austria, and Norway were exceptions. In the 2 countries of Eastern Europe for which data are available, Hungary spent relatively less and Yugoslavia more for food in 1964 than in 1963. The 2 African countries listed also showed dissimilar trends. South Africa, whose proportion spent on food is comparable to the lowest rates of the Western European countries, continued to lower the proportion spent on food while Ghana's food expenditures have taken an increasing proportion since the low of 47 percent attained in 1960. The proportion spent on food in Ceylon, China, Israel, Japan, Malaysia, and Thailand has continued downward. In Korea, the proportion has risen rapidly since 1962 to 58 percent in 1964. This proportion is exceeded only by that of Ghana.

2/ Prepared by Food Consumption Section, ESAD, ERS.

SPECIAL ARTICLES APPEARING IN THE NATIONAL FOOD SITUATION
DURING 1962-66

1966
Food Expenditures in 1965, NFS-118, November 1966
Nutritional Review, NFS-118, November 1966
Food Expenditures in 1960-61, NFS-117, August 1966
Food Consumption of Corn, Oat, and Barley Products, NFS-117, August 1966
Seasonally Adjusted Retail Food Price Indexes, NFS-117, August 1966
The Importance of Imports As a Source of Food, NFS-116, May 1966
The Maple Sweetener Situation, NFS-115, February 1966
Food Around the World, NFS-115, February 1966

1965
The Sweetener Market--Trends and Prospects, NFS-114, November 1965
Food and Beverage Sales by the Retail Trade, NFS-114, November 1965
Nutritional Review, NFS-114, November 1965
Number and Sales of Food and Beverage Retailers, NFS-112, May 1965
Consumption and Prices of Cereal Products, NFS-112, May 1965
The Importance of Imports As a Source of Civilian Food, NFS-112, May 1965
World Food Situation, NFS-111, February 1965

1964
Per Capita Food Consumption Index Revision, NFS-110, November 1964
Nutritional Review, NFS-110, November 1964
The Importance of Imports As a Source of Civilian Food, NFS-108, May 1964
Consumer Price Index Revision, NFS-108, May 1964
Coffee Supplies and Prices, NFS-108, May 1964
The World Food Problem, NFS-107, January 1964
Projections of Food Consumption to 1968, NFS-107, January 1964

1963
World Food Situation, NFS-106, November 1963
Seasonality in Retail Food Prices, NFS-106, November 1963
Nutritional Review, NFS-106, November 1963
Enrichment and Fortification of Foods, 1957-61, NFS-106, November 1963
World Food Congress, NFS-105, August 1963
Food Consumption Under the Food Stamp Program, NFS-105, August 1963
Prices and Consumption of Meat and Poultry, NFS-104, May 1963
Imports for Civilian Food, NFS-104, May 1963

1962
The World Food Situation, NFS-102, October 1962
Nutritional Review, NFS-102, October 1962
Postwar Trends in Consumption of Noncitrus Fruits, NFS-101, July 1962
Postwar Changes in Consumption of Cereal Grains and Products, NFS-100, May 1962
Recent Trends in Egg Consumption, NFS-99, February 1962
The Food Stamp Program: A Progress Report. NFS-99, February 1962

Table 14.--Production of major food commodities, calendar years, selected periods, 1947-66 1/

Commodity	Unit	Average 1947-49	Average 1957-59	1963	1964	1965	1966 Preliminary 2/	1966 as a percentage of 1947-49	1966 as a percentage of 1957-59	1966 as a percentage of 1965
Meats (carcass weight) - Total	Mil. lb.	22,100	26,612	30,595	32,705	31,560	32,449	147	122	103
Beef	Mil. lb.	9,649	13,704	16,450	18,448	18,718	19,587	203	143	105
Veal	Mil. lb.	1,454	1,240	928	1,011	1,018	932	64	75	92
Lamb and mutton	Mil. lb.	716	711	770	715	651	647	90	91	99
Pork (excluding lard)	Mil. lb.	10,281	10,957	12,447	12,531	11,173	11,283	110	103	101
Poultry and eggs 3/										
Eggs	Mil. doz.	5,086	5,475	5,318	5,368	5,382	5,380	106	98	100
Chicken (ready-to-cook)	Mil. lb.	2,753	4,880	6,077	6,257	6,654	7,200	262	148	108
Turkey (ready-to-cook)	Mil. lb.	491	1,065	1,342	1,436	1,508	1,660	338	156	110
Dairy products										
Total milk	Bil. lb.	4/116.3	123.3	125.0	127.0	125.1	121.5	104	99	97
Cheese 5/	Mil. lb.	1,160	1,396	1,632	1,723	1,756	1,880	162	135	107
Condensed and evaporated milk	Mil. lb.	3,497	2,789	2,369	2,395	2,182	2,270	65	81	104
Ice cream (product weight)	Mil. lb.	2,758	3,212	3,444	3,546	3,634	3,630	132	113	100
Fats and oils - Total fat content 6/	Mil. lb.	7,627	11,070	13,684	14,053	14,269	14,714	193	133	103
Butter (actual weight)	Mil. lb.	1,611	1,477	1,453	1,468	1,343	1,135	70	77	85
Lard 7/	Mil. lb.	2,419	2,584	2,476	2,476	2,050	1,925	80	74	94
Margarine (actual weight)	Mil. lb.	839	1,549	1,794	1,857	1,904	2,120	253	137	111
Shortening	Mil. lb.	1,434	2,022	2,584	2,664	2,764	3,200	223	158	116
Other edible fats and oils 8/	Mil. lb.	3,912	7,297	10,038	10,395	11,138	11,875	304	163	107
Fruits										
Fresh:										
Citrus	Mil. lb.	8,783	6,695	4,852	5,688	6,410	6,686	76	100	104
Apples (commercial)	Mil. lb.	3,775	3,972	3,775	3,988	3,780	3,750	99	94	99
Other (excluding melons)	Mil. lb.	4,493	4,082	3,687	3,793	3,861	3,886	86	95	101
Processed:										
Canned fruit	Mil. lb.	2,597	3,591	4,371	5,418	4,712	5,050	194	141	107
Canned fruit juices	Mil. lb.	2,230	2,130	2,668	2,293	2,336	2,569	115	121	110
Frozen (including juice)	Mil. lb.	415	1,556	1,232	1,533	1,657	1,550	373	100	94
Dried	Mil. lb.	961	697	774	829	858	779	81	112	91
Vegetables 9/										
Fresh 10/	Mil. lb.	18,504	19,921	21,391	21,196	21,692	21,288	115	107	98
Canned	Mil. lb.	5,993	7,620	8,615	8,494	8,822	9,171	153	120	104
Frozen	Mil. lb.	439	1,183	1,455	1,507	1,778	1,852	422	157	104
Potatoes and sweetpotatoes										
Potatoes	Mil. cwt.	248	252	272	240	290	301	121	119	104
Frozen potato products	Mil. lb.	9	287	861	1,118	1,219	1,400	15,556	488	115
Sweetpotatoes	Mil. cwt.	25.3	18.2	15.8	15.3	18.7	16.3	64	90	87
Dry edible beans 11/ 12/	Mil. lb.	1,854	1,782	1,998	1,738	1,646	2,027	109	114	123
Dry field peas 11/	Mil. lb.	401	376	489	488	408	372	93	99	91
Melons 10/	Mil. lb.	4,061	4,454	4,742	4,292	4,490	4,297	106	96	96
Sugar, raw basis	1,000 tons	2,066	2,732	4,870	5,587	5,371	5,425	263	199	101
Grains										
Wheat	Mil. bu.	1,251	1,177	1,147	1,283	1,316	1,311	105	111	100
Rye	Mil. bu.	23.1	28.3	29.2	32.5	33.2	27.9	121	99	84
Rice, rough	Mil. cwt.	35.3	45.7	66.1	70.3	73.2	76.3	216	167	104
Corn, grain only	Mil. bu.	2,787	3,409	4,019	3,484	4,084	4,103	147	120	100
Oats	Mil. bu.	1,282	1,247	966	852	927	798	62	64	86
Barley	Mil. bu.	278	447	393	386	392	390	140	87	99
Peanuts, farmers' stock 13/	Mil. lb.	2,128	1,591	1,942	2,099	2,384	2,428	114	153	102

1/ Calendar year basis except for fresh citrus fruit for which the season begins in the fall of the previous year; dried fruits on a pack year beginning year indicated; rice on a marketing year ending year indicated.
2/ Based on the best available information but subject to revision in line with later data from the Crop Reporting Board.
3/ Includes an allowance for nonfarm production.
4/ Includes an allowance for nonfarm production of 1.1 billion pounds.
5/ Excludes full skim, cottage, pot, and bakers' cheese.
6/ Includes butter, lard, and "other edible fats and oils."
7/ Includes amount used in manufactured food and nonfood products.
8/ Includes cottonseed, peanut, soybean, corn, edible olive, and oleo oils, oleo stock, oleostearine, and edible tallow later processed into margarine, shortening, cooking and salad oils, etc., and nonfood items.
9/ Excludes potatoes and sweetpotatoes.
10/ Covers total commercial production for sale as fresh both for shipment to distant markets and for local markets; includes quantities not harvested. Excludes farm garden output for farm household use.
11/ Cleaned basis.
12/ Beginning 1959, excludes seed beans produced on contracted acreage.
13/ Beginning 1959 on net-weight basis (cleaned and adjusted to standardized moisture content).

Table 15.--Retail price indexes and Consumer Price Index, selected periods

(1957-59=100)

Year and month	Food at home															Food away from home	All food	Consumer Price Index
	Meats					Dairy products 3/	Fats and oils 4/	Fruits and vegetables			Cereal and bakery products	Sugar and sweets	Beverages	Total				
	Beef and veal	Pork	Total 1/	Poultry 2/	Fish	Eggs			Fresh	Processed	Total							
1935-39	36.5	43.2	37.8	68.7	28.9	60.3	45.9	65.4	37.3	50.2	39.6	45.6	48.3	27.5	42.6	5/	41.9	48.7
1947-49	86.8	92.8	86.7	132.5	86.4	122.7	88.3	117.9	78.4	88.6	80.9	75.5	85.4	56.1	86.1	5/	84.7	81.5
1950	97.0	87.8	91.4	126.1	89.0	104.7	84.7	94.2	76.6	81.7	79.0	78.8	86.9	85.9	87.1	5/	85.8	83.8
1951	113.3	93.1	103.6	132.1	101.6	127.4	94.5	110.3	83.1	92.4	86.3	86.0	90.1	94.7	96.9	5/	95.4	90.5
1952	112.4	92.1	102.6	132.6	99.0	116.3	98.5	93.5	96.6	91.0	94.8	88.1	90.9	95.3	98.6	5/	97.1	92.5
1953	88.6	102.5	95.8	129.3	95.3	123.2	96.8	93.9	91.1	93.2	91.8	89.8	91.9	97.9	96.8	89.3	95.6	93.2
1954	85.3	105.7	95.3	116.7	95.8	103.1	93.7	98.9	89.3	92.6	90.5	91.9	93.8	116.3	96.3	90.9	95.4	93.6
1955	84.4	91.0	87.7	121.5	93.9	106.5	93.6	95.9	91.0	93.4	91.8	93.4	95.8	104.2	94.4	91.8	94.0	93.3
1956	83.1	86.4	84.8	106.5	93.8	105.9	96.0	98.0	96.3	96.3	96.3	94.7	93.6	108.9	94.8	93.6	94.7	94.7
1957	89.2	99.5	94.2	103.8	95.0	100.9	98.8	102.4	97.0	94.2	96.0	98.4	96.3	108.1	97.9	97.1	97.8	98.0
1958	103.8	106.1	104.9	102.6	101.6	106.1	100.3	101.2	104.0	100.8	102.8	100.4	100.7	100.5	102.2	100.0	101.9	100.7
1959	106.9	94.4	101.0	93.5	103.4	92.9	101.0	96.5	99.1	105.0	101.2	101.2	102.9	91.3	99.7	102.8	100.3	101.5
1960	104.2	93.8	99.2	95.0	103.5	100.1	103.2	92.1	105.2	101.4	103.8	103.2	103.4	90.7	100.6	105.5	101.4	103.1
1961	102.5	98.2	100.5	85.8	105.8	100.1	104.8	98.6	103.5	105.6	104.2	105.4	101.4	90.7	101.5	107.8	102.6	104.2
1962	106.2	99.1	102.5	90.7	110.2	94.6	104.1	98.5	106.3	102.6	105.0	107.6	101.4	89.3	102.2	110.7	103.6	105.4
1963	105.0	96.6	100.9	89.3	110.0	96.0	103.8	95.7	112.6	108.3	111.0	109.1	110.1	90.4	103.5	113.2	105.1	106.7
1964 6/	101.9	96.1	99.4	87.3	107.4	95.0	104.7	95.4	119.2	110.8	115.3	109.6	115.5	101.4	104.7	115.2	106.4	108.1
1965	106.8	109.4	106.9	90.0	110.6	92.8	105.0	102.9	121.7	107.3	115.2	111.2	113.5	100.6	107.2	117.8	108.8	109.9
Jan.	103.1	96.2	100.1	86.7	109.3	91.6	105.6	100.7	115.7	108.6	112.4	111.1	113.5	103.3	104.8	116.1	106.6	108.9
Feb.	102.4	97.0	100.0	89.2	110.1	86.1	105.2	102.2	118.2	107.5	113.3	110.7	113.3	103.0	104.8	116.3	106.6	108.9
Mar.	102.6	97.4	100.3	88.9	109.9	83.5	105.0	102.5	122.2	106.9	115.3	110.9	113.6	101.5	105.0	116.5	106.9	109.0
Apr.	102.6	97.5	100.4	89.0	110.1	88.6	104.5	103.4	126.4	106.7	117.6	111.0	113.7	100.4	105.5	116.8	107.3	109.3
May	103.9	98.6	101.3	87.4	110.3	87.5	104.2	103.6	133.5	106.2	121.4	110.8	113.7	99.8	106.2	116.9	107.9	109.6
June	109.6	108.9	108.0	93.5	110.4	83.9	104.0	103.9	141.6	105.8	125.9	111.0	113.9	100.2	108.8	117.2	110.1	110.1
July	110.9	117.2	111.6	93.0	110.8	87.2	104.3	103.5	138.6	106.1	124.3	111.1	113.8	100.2	109.7	117.6	110.9	110.2
Aug.	110.1	119.9	112.5	92.3	111.1	90.5	105.0	103.3	121.2	106.4	114.6	111.1	113.9	100.4	108.6	118.2	110.1	110.0
Sept	109.8	119.9	112.5	92.0	111.0	98.6	105.3	103.1	110.2	106.7	108.5	111.3	113.8	100.1	108.0	118.8	109.7	110.2
Oct.	109.1	118.8	111.8	89.5	111.1	103.5	105.5	103.0	109.7	107.4	108.5	111.3	113.8	99.8	107.8	119.2	109.7	110.4
Nov.	108.3	118.3	111.3	89.5	111.3	102.6	105.8	102.9	111.2	108.8	109.9	111.4	112.4	99.5	107.8	119.6	109.7	110.6
Dec.	108.9	122.8	113.3	89.4	111.5	109.6	106.1	102.8	112.2	110.0	111.0	112.2	112.0	99.5	108.9	119.9	110.6	111.0
1966	112.4	125.1	116.8	94.9	117.8	105.7	111.8	107.2	123.9	109.9	117.6	115.8	111.3	100.0	112.6	123.2	114.2	113.1
Jan.	109.4	130.9	116.6	90.2	112.0	105.0	106.6	103.4	112.5	110.3	111.3	113.0	111.0	99.2	109.8	120.4	111.4	111.0
Feb.	111.4	133.2	118.8	97.5	113.1	109.1	107.0	103.9	121.5	110.6	116.5	113.2	110.6	99.2	111.8	120.8	113.1	111.6
Mar.	113.9	131.7	119.8	99.2	114.7	108.5	108.1	105.4	122.8	110.8	117.4	113.6	110.8	99.3	112.6	121.2	113.9	112.0
Apr.	115.1	124.6	118.1	98.8	116.1	105.9	108.9	106.2	127.1	111.0	119.8	114.1	110.8	99.8	112.7	121.6	114.0	112.5
May	113.3	121.6	116.3	95.9	118.2	98.8	109.3	107.1	126.3	110.6	119.2	114.3	111.0	100.2	112.0	122.2	113.5	112.6
June	112.8	123.9	116.6	96.3	118.0	89.1	109.6	106.9	131.1	110.1	121.7	114.7	110.6	100.8	112.3	122.8	113.9	112.9
July	112.2	125.0	116.6	97.1	118.5	93.9	111.0	106.9	131.2	109.6	121.5	114.8	110.7	100.8	112.7	123.5	114.3	113.3
Aug.	112.3	125.9	116.9	96.5	119.6	110.5	114.8	107.5	132.4	109.6	122.3	117.3	110.9	100.9	114.4	124.0	115.8	113.8
Sept	112.7	126.4	117.2	95.9	120.3	111.8	116.0	108.6	122.5	109.4	116.6	118.4	111.3	100.6	114.0	124.6	115.6	114.1
Oct.	112.8	123.8	116.6	92.3	120.2	116.1	117.1	110.4	120.6	109.0	115.3	118.3	111.5	99.8	113.8	125.2	115.6	114.5
Nov.	111.4	119.1	114.5	89.8	121.1	107.9	116.7	110.2	120.0	108.8	114.9	118.6	112.7	99.5	112.8	125.7	114.8	114.6
Dec.	111.9	114.9	113.4	89.2	121.9	111.9	116.5	110.3	118.9	109.0	114.3	118.8	113.3	99.7	112.6	126.3	114.8	114.7
	Seasonally adjusted 7/																	
Jan.	108.5	132.8	116.8	90.3	111.6	101.1	105.9	---	116.7	---	113.9	---	---	---	110.0	---	111.6	---
Feb.	110.7	135.4	119.4	97.8	112.4	106.4	106.7	---	123.4	---	117.7	---	---	---	111.8	---	113.1	---
Mar.	114.1	135.4	121.3	100.0	114.7	111.4	108.0	---	122.9	---	117.4	---	---	---	112.9	---	114.2	---
Apr.	116.0	128.9	119.9	100.9	116.0	109.9	109.4	---	123.8	---	117.7	---	---	---	113.2	---	114.3	---
May	114.7	125.2	118.7	98.7	118.1	109.2	110.2	---	120.1	---	115.3	---	---	---	112.6	---	114.0	---
June	115.2	126.2	118.7	96.3	118.1	100.9	110.7	---	121.4	---	115.8	---	---	---	112.4	---	114.0	---
July	113.3	122.3	116.3	97.2	118.7	101.6	111.6	---	118.4	---	113.9	---	---	---	111.3	---	113.2	---
Aug.	112.0	120.7	114.9	98.0	120.0	113.4	114.9	---	131.0	---	121.4	---	---	---	113.9	---	115.5	---
Sept	111.6	120.3	114.5	96.5	120.9	101.9	115.8	---	129.2	---	121.0	---	---	---	113.7	---	115.3	---
Oct.	111.7	120.5	114.5	93.0	120.7	105.2	116.4	---	129.0	---	120.4	---	---	---	113.8	---	115.6	---
Nov.	110.3	118.7	113.8	89.1	121.1	101.3	116.0	---	127.8	---	119.6	---	---	---	113.3	---	115.1	---
Dec.	111.0	116.3	113.4	89.4	121.9	106.6	115.7	---	124.2	---	117.5	---	---	---	112.9	---	115.0	---

1/ Beef, veal, lamb and mutton, pork, and processed meat.
2/ Unadjusted index includes turkey beginning 1964; seasonally adjusted indexes are for frying chicken only.
3/ Includes butter.
4/ Excludes butter. After December 1963 computed by Economic Research Service using data for items additional to those in the CPI.
5/ Data not collected prior to 1953.
6/ Revised beginning January 1964; for first time item selection and quantity weights reflect the buying pattern of one-person families.
7/ Discussed in "Seasonally Adjusted Retail Food Price Indexes," by Stephen J. Hiemstra. National Food Situation, NFS-117, August 1966. (Reprinted as ERS-311.)

Bureau of Labor Statistics.

U. S. Department of Agriculture
Washington, D. C. 20250.

OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. Department of Agriculture

NOTICE
If you no longer need this publication, check here ☐ return this sheet, and your name will be dropped from the mailing list.

If your address should be changed, write the new address on this sheet and return the whole sheet to:
Division of Administrative Services (ML)
Office of Management Services
U. S. Department of Agriculture
Washington, D. C. 20250.

LIST OF TABLES

Table	Title	Page
1	Volume of farm marketings and home consumption	2
2	Food consumption per capita	2
3	Food expenditures related to disposable income, 1909-66	7
4	Food and farm product prices, 1950-66	9
5	Supply-utilization of farm food commodities: Indexes by component and relationship of components to total annual net utilization, 1947-66	12
6	Value of exports and value of imports for consumption, January-November, 1965 and 1966	14
7	Military food procurement, 1964-66	15
8	Per capita consumption of major food commodities, primary weights, selected periods	17
9	Cane and beet sugar, refined basis: Estimated per capita consumption, by quarters, 1935-66	22
10	Corn sweeteners, dry basis: Estimated per capita consumption, by quarters, 1949-66	23
11	Cocoa and chocolate, cocoa bean equivalent basis: Civilian per capita consumption, by quarters, 1963-66	25
12	Estimated world production of selected agricultural commodities, average 1955-59, annual 1963-66	29
13	Expenditures for food as a proportion of private consumption expenditures, by countries, 1955 and 1960-64	31
14	Production of major food commodities, selected periods, 1947-66	34
15	Retail price indexes and Consumer Price Index, selected periods	35

LIST OF CHARTS

Figure		Page
Cover	Food and farm product prices, 1950-66	Cover
1	Retail food store sales	5
2	Food expenditures relative to income	6
3	Retail prices, all foods	11
4	World food production: Total and per capita	28

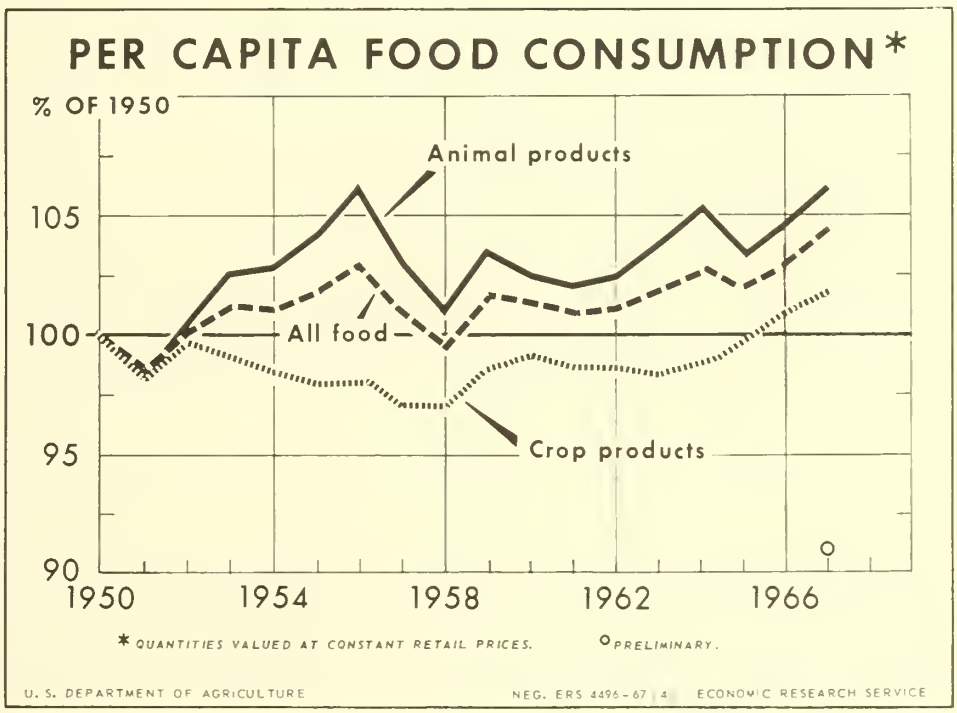
☆U.S. GOVERNMENT PRINTING OFFICE: 1967 251-756 (BFS-122)

1.941
S2F23

NATIONAL FOOD SITUATION

NFS-120 For P.M. Release May 15, 1967

Per capita food consumption is increasing about 1 percent this year on top of a similar rise in 1966. Both livestock and crop products are contributing to the 1967 increase. Year-to-year prospective increases are particularly large for pork, poultry, eggs, and citrus fruit. Consumption is running especially large early in the year. First-quarter consumption of livestock food products exceeded a year earlier by 5 percent.



IN THIS ISSUE

Foreign Agricultural Trade

Forecasting the Quarterly Retail Food Price Index

Published quarterly by
ECONOMIC RESEARCH SERVICE • U. S. DEPARTMENT OF AGRICULTURE

Table 1.--Volume of farm marketings and home consumption 1/

(Index numbers, 1957-59=100)

Item	1947-49 average	1960	1961	1962	1963	1964	1965	1966	1967 indications 2/	1967 as a percentage of 1947-49	1967 as a percentage of 1966
Marketings and home consumption of all farm commodities	86	107	108	109	114	116	117	118	121	141	103
Food marketings and home consumption	87	104	107	107	111	113	115	117	120	138	103
Food marketings	82	105	109	109	113	116	117	120	124	151	103
Total food livestock 3/	79	104	108	110	114	118	118	120	122	154	102
Meat animals	81	105	108	110	116	121	120	123	124	153	101
Poultry and eggs	66	105	113	113	116	120	124	130	138	209	106
Dairy products	84	102	105	107	107	109	108	106	106	126	100
Total food crops 4/	98	108	110	107	110	110	116	120	128	131	107
Food grains 5/	102	117	114	102	111	108	118	122	135	132	111
Vegetables 6/	91	104	109	110	110	108	110	114	116	127	102
Fruit and nuts 7/	92	99	103	107	101	106	112	115	128	139	111
Sugar crops	78	105	115	117	152	155	145	141	142	182	101
Home consumption	161	87	81	75	73	67	61	59	58	36	98
Livestock	159	82	75	73	69	64	58	55	54	34	98
Crops	168	98	94	80	83	74	70	68	68	40	100
Nonfood marketings 8/	82	114	110	116	125	124	123	121	124	151	102

1/ Quantities of farm products weighted by average 1957-59 farm prices since 1955, 1947-49 prices in earlier years. Excludes Alaska and Hawaii. 2/ Indications for 1967 are based on calendar-year quantities estimated as of April 1, 1967. 3/ Includes honey. 4/ In addition to the crops listed below, includes peanuts, peppermint, popcorn, and spearmint. 5/ Wheat, rye, rice, and buckwheat. 6/ Truck crops for fresh use and processing, potatoes, sweetpotatoes, dry edible beans, dry field peas, mung beans, and melons 1955 to date. 7/ Except peanuts and, beginning 1955, melons. 8/ There are no nonfood items in the home consumption index.

Table 2.--Food consumption per capita 1/*

(Index, 1957-59=100)

Selected years	Meat	Poultry	Fish	Eggs	Dairy, excluding butter	Fats and oils, including butter	Fruits 2/ Fresh	Fruits 2/ Processed	Fruits 2/ Total	Vegetables 3/ Fresh	Vegetables 3/ Processed	Vegetables 3/ Total	Potatoes and sweetpotatoes	Cereal products	Sugar and sweeteners	Coffee, tea, and cocoa	All food Animal products	All food Crops 4/	All food Total
1910	96	49	107	82	70	101	148	14	80	114	24	85	208	149	54	65	87.2	87.0	86.9
1920	90	45	113	81	80	91	154	31	92	119	30	90	163	129	63	79	85.4	87.7	86.2
1930	85	52	97	89	83	113	145	35	89	126	47	100	138	131	85	81	86.3	95.7	89.9
1940	93	52	102	86	87	115	153	57	105	130	57	107	127	120	86	101	91.0	100.7	94.8
1941	94	56	108	84	90	116	161	53	107	129	61	107	134	121	94	104	92.3	103.6	96.7
1942	93	63	84	84	96	112	137	52	94	134	67	112	136	122	83	86	93.5	99.2	95.6
1943	98	78	75	92	96	97	122	45	84	139	61	114	137	135	77	81	96.2	98.7	97.0
1944	103	70	84	94	98	96	146	45	95	147	61	119	145	124	84	96	98.4	103.0	100.1
1945	97	76	94	107	104	91	144	57	101	150	74	126	129	130	69	100	99.4	104.0	101.0
1946	102	70	101	101	110	91	144	78	111	139	83	121	128	128	74	122	101.6	106.6	103.5
1947	102	64	96	104	104	97	149	67	108	127	76	111	126	115	94	108	100.0	103.8	101.4
1948	95	63	101	106	100	95	138	69	104	125	72	108	105	114	89	112	96.0	101.7	98.1
1949	95	67	102	105	99	98	135	73	104	118	75	104	109	113	91	115	96.1	101.5	98.1
1950	95	73	111	108	99	104	120	79	100	114	81	104	105	112	101	103	97.6	102.5	99.4
1951	90	77	106	109	99	94	125	78	102	111	84	103	105	115	94	105	95.8	100.8	97.6
1952	95	80	105	109	100	97	120	88	104	108	88	103	95	113	98	105	98.1	102.1	99.5
1953	102	79	103	106	99	98	113	90	102	106	91	102	100	110	97	107	100.0	101.6	100.5
1954	101	84	104	105	100	102	108	91	101	104	90	100	100	108	99	95	100.2	100.9	100.4
1955	106	79	97	104	101	103	102	98	100	104	96	102	101	102	100	96	101.7	100.4	101.1
1956	108	88	98	103	102	101	103	100	102	103	98	102	97	101	101	101	103.6	100.6	102.3
1957	102	94	97	102	101	99	101	103	102	102	98	101	98	99	98	100	100.6	99.6	100.2
1958	97	101	98	99	100	100	98	97	97	99	101	100	97	101	101	98	98.5	99.4	98.9
1959	101	105	105	99	100	101	101	100	101	98	101	99	105	100	101	102	100.9	101.0	101.0
1960 5/	102	102	102	94	99	99	98	104	101	100	102	100	109	99	102	101	99.9	101.6	100.7
1961	101	112	102	91	97	99	95	102	98	99	102	100	110	98	102	102	99.6	101.1	100.3
1962	102	110	102	91	97	99	90	106	98	96	107	99	114	97	103	104	99.9	101.1	100.4
1963	105	112	101	89	98	100	82	97	89	96	107	99	119	97	102	106	101.2	100.8	101.1
1964	108	115	99	88	98	103	88	92	90	95	109	99	122	99	103	103	102.8	101.4	102.2
1965	104	122	103	88	98	102	89	97	92	95	112	100	129	99	103	100	101.0	102.6	101.7
1966 6/	106	131	100	88	98	102	89	96	93	94	113	100	138	98	105	99	102.1	103.4	102.7
1967 7/																	103.6	104.1	103.8

1/ Civilian consumption, beginning 1941. Individual food items are combined in terms of 1947-49 retail prices through 1954, 1957-59 retail prices thereafter; indexes are linked at 1955. 2/ Excluding melons and baby food. 3/ Excluding soups, baby food, dry beans and peas, potatoes, and sweetpotatoes. 4/ Including melons, dry beans and peas, nuts, soups, and baby food in addition to groups shown separately. 5/ 50-State basis beginning 1960. 6/ Preliminary. 7/ Preliminary indications.

* Changes resulting from 1964 Census of Agriculture are not incorporated prior to 1965.

NATIONAL FOOD SITUATION

Approved by the Outlook and Situation Board, May 5, 1967

CONTENTS

	Page		Page
Summary	3	Commodity Situations: -Cont.	
Food Expenditures	4	Confectionery	25
Retail Food Prices	5	Beverages	25
Food Supplies and Consumption	9	Foreign Agricultural Trade	28
Commodity Situations:		Forecasting the Quarterly	
Fishery Products	21	Retail Food Price Index	33
Sweeteners	23	List of Tables and Charts	39
Cocoa and Chocolate	25		

SUMMARY

Food expenditures in first-quarter 1967 totaled $93 billion (seasonally adjusted annual rate), nearly 4 percent above a year earlier. The increase of $1½ billion over the previous quarterly rate stemmed from a 2 percent increase in food store sales and a 10 percent increase in sales by eating and drinking places. The increase in food expenditures was less than the increase in disposable personal income. As a result, the percentage of income spent for food dropped to 17½ percent in the first quarter.

For the year, food expenditures are expected to exceed the 1966 level of $91 billion by around 4 percent. The percentage of income spent for food in 1967 likely will average around 17½ percent compared with 18.0 percent in 1966.

Retail food prices in first-quarter 1967 declined nearly 1 percent from the previous quarter, but remained 1 percent above a year earlier. Prices for food at home averaged about the same as a year earlier, but prices for food away from home averaged 5 percent higher. Wholesale prices of processed foods averaged 1 percent below a year earlier during the first-quarter, but wholesale prices for farm products averaged 5 percent lower.

Average retail food prices are expected to rise more than seasonally this summer, if supplies of many livestock products are reduced, as now indicated, and demand continues strong. Prices likely will be relatively strong in final months of the year. Average retail food prices in 1967 probably will exceed the 1966 average, perhaps in line with the 1.7 percent average annual gain during the past decade.

Per capita food consumption in 1967 is expected to average about 1 percent above a year earlier. Consumption of both crop and livestock products is increasing, but with lower prices, use of livestock products is expected to rise more than for crop products. During the first quarter of 1967, per capita consumption of livestock products was up sharply--5 percent above a year earlier.

Current indications point to an increase in both production and marketing of farm food commodities in 1967, with increases especially large for crop products if yields are near average. In 1966, production declined and total utilization increased. Consequently, January 1, 1967, stocks of food commodities were 7 percent below a year earlier.

If this year's expected output increase materializes, stocks of food commodities at the end of 1967 likely will be above the beginning of the year. Reduced exports and a small increase in imports are expected to contribute to 1967 domestic supplies.

Large supplies of meat in first-quarter 1967 resulted in retail meat prices dropping 5 percent below a year earlier. Most of the decline was for pork, which was down 14 percent. With supplies expected to be down more than seasonally this summer, meat prices are expected to strengthen from first-quarter levels. Retail prices for poultry in the first quarter averaged 7 percent below a year earlier, and egg prices were down 10 percent. Supplies of poultry and eggs were much larger than a year earlier during the first quarter, but producers are cutting back output. As a result, retail prices probably will increase moderately later in the year. Dairy product prices at retail were 8 percent above a year earlier in the first quarter.

Prices for fruits and vegetables in first-quarter 1967 averaged about the same as a year earlier. Retail prices for citrus declined during first-quarter 1967 because of a large supply increase; these prices likely will remain relatively low throughout 1967. Continued low prices are in prospect for most canned fruits until summer because of larger carryover supplies. But, prices for canned and frozen vegetables likely will be maintained at relatively high levels until new crop supplies are available. Larger supplies of processed vegetables are in prospect late in the year. Potato prices averaged much higher than a year earlier during the first quarter; but large storage stocks from last fall's crop (particularly in the East) and weak market demand are depressing prices, despite smaller early-season crop prospects. Cereal and bakery product prices averaged 5 percent above a year earlier during the first quarter.

FOOD EXPENDITURES

Strong March Sales

Sales by retail food stores participated in a general advance in retail sales in March, according to preliminary data. Food store sales in 1966 declined slightly between April and December, on a seasonally adjusted basis, but March 1967 sales set a new monthly record.

Buoyed by an early Easter and continued income gains, the advance report for March 1967 showed that sales by all retail stores advanced significantly from February--up 3 percent on a seasonally adjusted basis. March sales of $26.5 billion were up 4 percent from a year earlier. The March 1967 increase contrasted with generally listless sales since the beginning of 1966. March was the first month since September 1966 to post a new monthly sales record.

First Quarter Up 4 Percent

Food store sales in first-quarter 1967 averaged only 2 percent above a year earlier. But, sales by eating and drinking places were much stronger, averaging nearly 10 percent higher. As a result, total estimated food expenditures in first-quarter 1967, at an annual rate of $93 billion, averaged nearly 4 percent above a year earlier. The first-quarter expenditure increase of $1½ billion over the previous quarter was as large as the total increase that took place between the first and fourth quarters of 1966.

17½ Percent Going for Food

Food expenditures in first-quarter 1967 accounted for 17½ percent of disposable personal income of $529 billion (seasonally adjusted annual rate). For the year, food

expenditures are expected to exceed the 1966 level of $91 billion by around 4 percent. This increase is only about two-thirds as large as the increase expected for disposable income. As a result, the percentage of income spent for food likely will reach a new low level in 1967. In 1966, food expenditures registered an unusually large increase of nearly 7 percent over 1965, almost as much as the 8 percent increase in disposable income. As a result, an average of 18.0 percent of disposable income was spent for food in 1966, down only slightly from the 18.2 percent in 1965.

A relatively small part of the 1967 increase in food expenditures likely will be due to price increases, in contrast to 1966 when most of the gain was due to prices. This year, an increase in per capita food consumption of around 1 percent and a similar increase in population likely will account for roughly half of the expenditure gain. The balance of the increase probably will be due to shifts to higher-priced items in the food budget.

In 1966, food expenditures averaged about $463 per capita, a gain of more than 5 percent over a year earlier. This year, food expenditures likely will average somewhere in the vicinity of $475 per capita.

Food Store Sales in 1966

Sales by retail food stores in 1966 totaled an estimated $71.1 billion, up 6.3 percent from 1965. Sales by food stores--which cover both food and nonfood items--comprised 23 percent of total sales by all retail stores. Food store sales did not increase as rapidly as the 6.9 percent sales increase for all retail stores between 1965 and 1966.

Grocery store sales made up 92 percent of the total sales by all food stores last year. The remaining 8 percent of food store sales were made by meat markets, bakery product stores, and other specialty food stores. Specialty food stores increased their sales over 1965 less than half as rapidly as grocery stores--2.9 compared with 6.6 percent.

Food store sales gains were greater by firms operating 11-or-more stores than by firms operating 10-or-less stores. The 11-or-more group had a sales increase of 7.8 percent over a year earlier. As a result of the greater increase in sales, this group increased slightly its share of total food store sales--43.5 percent in 1966 compared with 42.9 percent in 1965 and 43.1 percent in 1964.

Food store sales increased twice as fast in the West as in the Northeastern States between 1965 and 1966. Sales were up 9 percent in the West, 8 percent in the South and North Central States, and only 4 percent in the Northeastern States. This pattern was somewhat different from a year earlier when the South led in sales gains.

Sales by eating and drinking places totaled $23.4 billion in 1966, an increase of 9 percent over a year earlier. Sales by eating places, which accounted for three-fourths of the total, were up 11 percent compared with a 4 percent gain for establishments classified as drinking places.

RETAIL FOOD PRICES

First-quarter Prices Down

Retail food prices in first-quarter 1967 declined nearly 1 percent from fourth-quarter 1966 (fig. 1 and table 3). All of the decline was caused by lower food store prices; prices for restaurant food continued to advance. First-quarter prices averaged 1 percent above a year earlier. Prices for food at home averaged about the same as in first-quarter 1966, but prices for food away from home were up 5 percent.

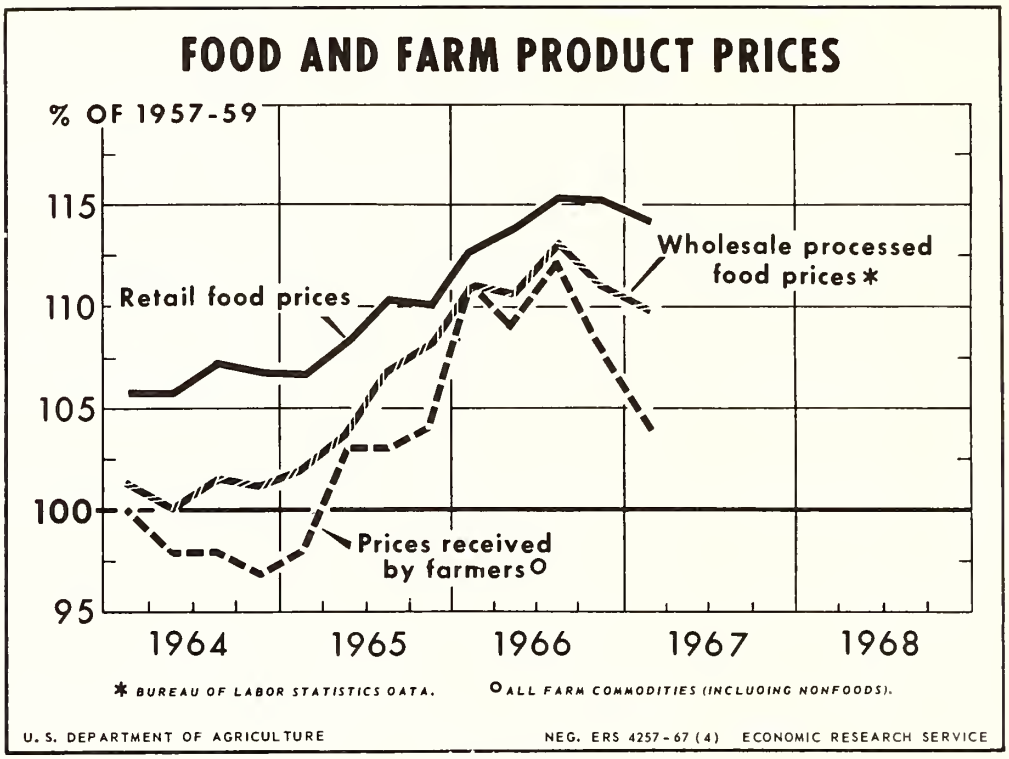


Figure 1

A 1 percent decline in prices for food since August 1966 contrasts with 1 percent higher prices for the total of all consumer items. The Consumer Price Index in first-quarter 1967 increased fractionally from the previous quarter and averaged 3 percent above first-quarter 1966. It reached a new high point of 115.0 (1957-59=100) in March.

The decline in retail food prices followed a decline in prices in wholesale markets. Wholesale prices of processed foods in first-quarter 1967 declined 1 percent from the previous quarter and averaged 1 percent below a year earlier.1/ Wholesale prices for farm products have declined much more than for processed foods. First-quarter prices averaged 7 percent below the high point reached in third-quarter 1966 and 5 percent below a year earlier. Similarly, prices received by farmers for all items (including nonfood commodities) in first-quarter 1967 averaged 6 percent below first-quarter 1966. The price decline was sharper for livestock products, which reached a peak in first-quarter 1966, than for crop products which peaked in third-quarter 1966.

1/ Beginning with January 1967, the Bureau of Labor Statistics began publishing "processed foods and feeds" in place of "processed foods." The new index includes alcoholic beverages and manufactured animal feeds that previously were not in the food and farm products groups. The new index gives 111.7 (1957-59=100) for first-quarter 1967 compared with 109.8 for the old index. The change was part of a larger revision resulting from incorporation of a revised weighting structure that now reflects the 1963 value of shipments. "Processed foods and feeds" now (as of December 1966) has a relative importance of 16.5 percent of the entire Wholesale Price Index, down from 18.2 percent on the old basis. Farm products now have a relative importance of 10.6 percent, unchanged from the old basis.

Table 3.--Consumer, wholesale, and farm price indexes (1957-59=100), 1965-67

Item	1965	1966					1967 I	
		I	II	III	IV	Year	Index	Percentage change from 1966 I
								Percent
Retail prices: 1/								
All goods and services (CPI)	109.9	111.5	112.7	113.7	114.6	113.1	114.8	3.0
All items less food	110.4	111.3	112.5	113.5	114.7	113.0	115.1	3.4
All food	108.8	112.8	113.8	115.2	115.1	114.2	114.4	1.4
Food at home	107.2	111.4	112.3	113.7	113.1	112.6	111.8	.4
Food away from home	117.8	120.8	122.2	124.0	125.7	123.2	127.4	5.5
Wholesale prices: 1/								
All commodities	102.5	105.1	105.6	106.7	106.0	105.9	106.0	.9
Commodities other than farm and food 2/	102.5	103.8	104.6	105.2	105.4	104.7	105.9	2.0
Farm products	98.4	106.2	105.0	108.2	102.9	105.6	101.1	-4.8
Processed food	105.1	111.2	110.6	113.1	111.2	111.5	109.8	-1.3
All food 3/	104.5	110.2	109.4	112.4	110.6	110.7	108.4	-1.6
Prices received by farmers: 4/								
Crops	104	104	107	108	103	105	100	-3.8
Livestock and products	101	116	111	114	111	113	107	-7.7
Total	102	111	109	112	108	110	104	-6.3
Market Basket of U.S. Farm Foods: 5/								
Retail cost	106.0	111.0	111.4	113.2	112.3	112.0	110.3	- .6
Farm-retail spread	106.4	107.2	110.3	110.9	114.0	110.6	112.6	5.0
Farm value	105.3	116.7	113.2	116.8	109.6	114.1	106.8	-8.5

1/ Department of Labor, Bureau of Labor Statistics.
2/ Recently this series has been renamed "Industrial commodities."
3/ All food includes all processed foods plus eggs and fresh and dried fruits and vegetables from the farm products group.
4/ Department of Agriculture, Statistical Reporting Service.
5/ Department of Agriculture, Economic Research Service, Marketing Economics Division.

Farm prices tend to rise proportionately more than retail prices during periods when supplies are small relative to quantities demanded (as in 1965 and 1966). Similarly when prices decline, farm prices usually decline proportionately more than retail prices (fig. 1). Part of the reason for this difference is the relatively fixed nature of the costs of processing and marketing farm products. These marketing costs account for over half the value of final products as purchased by consumers. The farm-retail spread tends to decline when farm product prices are rising rapidly and to widen when farm product prices are falling. The spread averaged 5 percent above a year earlier in first quarter 1967, although it declined 1 percent from fourth-quarter 1966. The prices that farmers received for U.S. farm food products averaged 8½ percent below a year earlier during first-quarter 1967. The opposing changes resulted in retail prices averaging only 1 percent lower.

Rising Prices in Prospect

Average retail food prices likely will rise more than seasonally this summer and continue strong in final months of the year, if current supply and demand expectations materialize. Retail food prices in 1967 likely will average above the 1966 level, mostly because of a generally strong demand. But, the increase likely will be modest compared with the 5 percent increase between 1965 and 1966. An increase averaging 1 to 2 percent is more likely. Prices for food away from home are expected to account for most of the increase.

Prices for Animal Products at Low Levels

Retail meat prices in first-quarter 1967 averaged 5 percent lower than the peak reached in first-quarter 1966. Prices for most red meats declined early this year from the final months of 1966. Almost all of the price decline compared with a year earlier was for pork. Pork prices averaged 14 percent lower than a year earlier but beef prices remained about unchanged. Pork production and consumption both averaged sharply above a year earlier, whereas beef consumption was up only moderately.

Retail meat prices may strengthen during the balance of 1967. Seasonally higher prices are likely in the third quarter, particularly for pork, and higher prices for beef are probable late in the year.

Prices for fishery products advanced throughout 1966 to a new high level in first-quarter 1967. Prices last year were strengthened by higher meat prices as well as a decline in per capita supplies of fishery products. This year, prices are expected to remain close to first-quarter levels.

Retail prices for poultry have been below a year earlier since the beginning of 1967. First-quarter prices averaged 7 percent below a year earlier. Prices are expected to continue lower than a year earlier this summer but prices may rise slightly from low levels in the first quarter. Prices may strengthen later this year if producers cut back output as now anticipated. Retail egg prices dropped 10 percent below year-earlier levels in the first quarter and in coming months are expected to continue well below 1966 levels.

Retail dairy product prices continued well above a year earlier during first-quarter 1967--up 8 percent--although prices averaged 1 percent below fourth-quarter 1966. Recently, declining consumption, together with increased milk production, resulted in easing prices. However, support prices for manufactured products are helping maintain prices to producers. The U.S. Department of Agriculture amended Federal milk marketing orders to eliminate previous seasonal pricing schedules, effective May 1. Retail prices are expected to rise slightly in the second half year, but not near as strongly as in second-half 1966.

Prices for Food Crops to Stabilize

Average retail prices for foods from crops may remain generally steady during the balance of 1967. Larger supplies are indicated for most crop products on the basis of planting intention reports, assuming average weather conditions.

Retail prices for vegetable oils advanced sharply during 1966. First-quarter 1967 prices were down slightly from fourth-quarter 1966 but much above first-quarter 1966. Prices were particularly strong for cooking and salad oils. There were smaller increases for margarine, shortening, and salad dressing; peanut butter prices were down fractionally. Expected declines in wholesale prices for fats and oils probably will stabilize retail prices in coming months.

Price prospects for fruits and vegetables in general appear relatively favorable for consumers this year. Prices in the first quarter averaged about the same as both the previous and year-earlier quarters. Retail prices for citrus products declined in first-quarter 1967 due to a huge production increase. Nevertheless, citrus prices are expected to continue below year-earlier levels. Prices for fresh peaches from the South--marketed mostly during June, July, and August--likely will be higher than a year earlier because of severe freeze damage in mid-March. April 1 cold storage stocks of fresh apples, pears, and grapes were higher than a year earlier. Nevertheless, retail apple prices are well above a year earlier. Retail prices for canned fruit cocktail, peaches, and pears likely will continue below year-earlier levels at least until 1967 crop prospects become available.

Fresh vegetable supplies this spring are expected to total slightly less than in 1966, so prices likely will average slightly higher, particularly for tomatoes. Prices for both canned and frozen vegetables are higher. Planting intentions suggest that the 1967 output may be up substantially from a year earlier.

Retail potato prices averaged 11 percent above a year earlier during first-quarter 1967. But, large storage stocks of potatoes in the East and weak market demand have pushed wholesale prices down despite prospects for lower output of spring-crop potatoes. As a result, retail potato prices probably will decline from first-quarter levels until prospects for the seasonally large summer and fall crops are evident. Sweetpotato prices likely will remain sharply higher than a year earlier into the spring because of relatively tight supplies. Dry bean supplies continue much above those of a year earlier. As a result, prices are much lower.

Cereal and bakery product prices averaged 5 percent above a year earlier during first-quarter 1967. But, prices were about steady with those in fourth-quarter 1966. Because of the importance of processing and marketing costs for these products, selective price increases may occur if marketing costs increase substantially.

Retail sugar prices in first-quarter 1967 averaged 3 percent above a year earlier. Prices for soft drinks were 5 percent higher. Coffee prices in early 1967 averaged lower than at any time during the past 2 years. Prices of instant coffee were up slightly from a year earlier but down substantially from 2 years ago.

FOOD SUPPLIES AND CONSUMPTION

Food Supplies Larger in 1967

Current indications point to an increase in both production and marketing of farm food commodities in 1967 (tables 1 and 4). Increases are anticipated both for livestock and crop products, although gains for crop products likely will be the

Table 4.--Farm food commodities: Supply-utilization indexes by component and relationship of components to total annual net utilization, 1957 to date 1/

Year	Supply			Utilization					
					Domestic use				
					Food				
	Net production 2/	Net imports 3/	Stocks 4/	Total annual net utilization	Civilian	Military 5/	Net nonfood 6/	Total	Exports and shipments 7/
	A.--Index, 1957-59=100								
1957	98.2	93.1	93.7	99.3	98.9	101.8	99.7	98.9	103.1
1958	101.3	96.6	96.7	98.2	98.8	99.8	98.1	98.8	92.1
1959	100.5	110.3	109.6	102.5	102.3	98.4	102.2	102.3	104.8
1960	104.9	104.8	114.6	104.7	103.5	94.2	97.2	103.1	120.3
1961	103.7	111.9	122.3	107.4	105.6	103.8	97.5	105.3	129.1
1962	104.7	122.4	123.2	109.8	107.1	108.5	100.0	106.9	140.0
1963	109.8	113.4	120.7	113.9	110.1	107.2	103.6	109.8	156.7
1964	111.7	102.6	119.8	118.5	112.7	115.5	105.2	112.5	181.1
1965	116.2	101.1	109.5	117.9	112.7	130.8	104.0	112.7	170.9
1966 8/	115.3	109.3	109.8	121.4	115.0	138.2	109.6	115.2	184.7
	B.--Percentage of total annual net utilization								
1957	90.6	10.7	-1.3	100.0	85.9	1.7	3.2	90.8	9.2
1958	94.4	11.3	-5.7	100.0	86.9	1.6	3.2	91.7	8.3
1959	89.8	12.3	-2.1	100.0	86.2	1.6	3.2	91.0	9.0
1960	91.8	11.4	-3.2	100.0	85.4	1.4	3.0	89.8	10.2
1961	88.4	11.9	-.3	100.0	84.9	1.6	2.9	89.4	10.6
1962	87.3	11.7	1.0	100.0	84.2	1.6	2.9	88.7	11.3
1963	88.3	11.4	.3	100.0	83.4	1.5	2.9	87.8	12.2
1964	86.3	9.9	3.8	100.0	82.0	1.6	2.9	86.5	13.5
1965	90.3	9.8	-.1	100.0	82.6	1.8	2.8	87.2	12.8
1966 8/	87.0	10.3	2.7	100.0	81.8	1.8	2.9	86.5	13.5

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis since 1962. Includes essentially all commodities having any food use in the United States. Livestock: Red meats, poultry, eggs, milk fat and nonfat solids, and honey. Crops: Food and feed grains, sugar crops, citrus and noncitrus fruit, bananas, tree nuts. potatoes, sweetpotatoes, vegetables, dry beans and peas, cowpeas, popcorn, mustard seed, cocoa, coffee, tea, olives, copra, and major oilseeds. 2/ Meat production includes carcass weight of commercial and farm slaughter; does not include change in live animal inventory. 3/ Includes shipments from U.S. Territories. 4/ Farm, commercial, and Government program holdings; excludes live animal inventory. Section A: January 1; derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes: Negatives indicate stock increases; positives signify withdrawals. 5/ Includes civilian feeding in occupied areas. 6/ Excludes feed and seed. 7/ Includes shipments to U.S. Territories. 8/ Preliminary.
Note: 1966 data include some Census revisions.

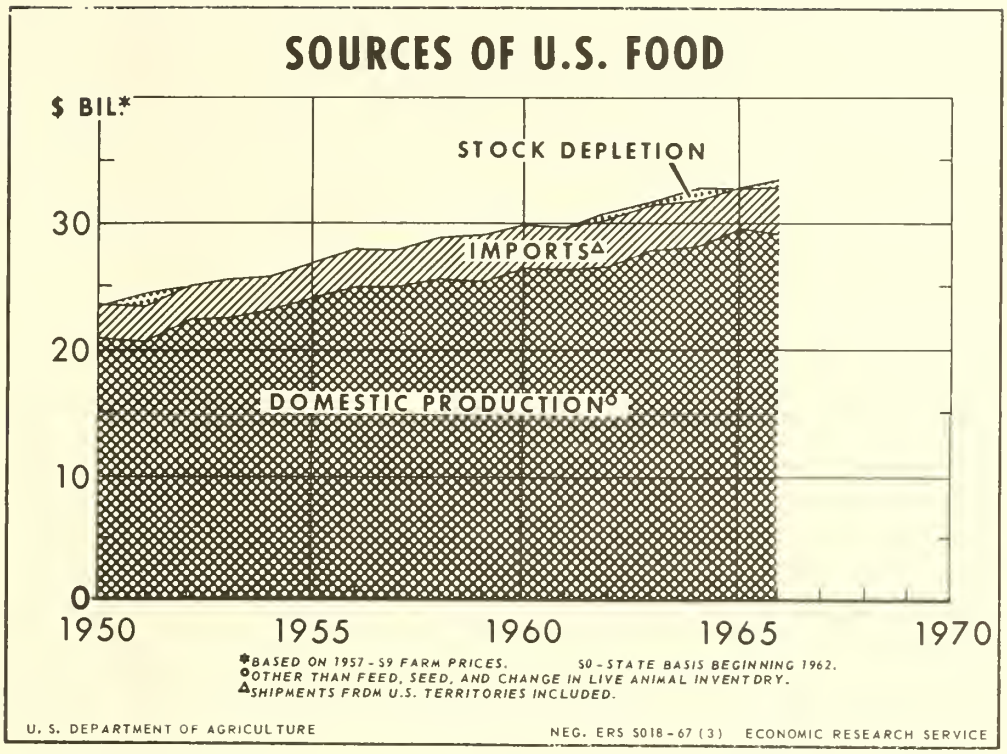


Figure 2

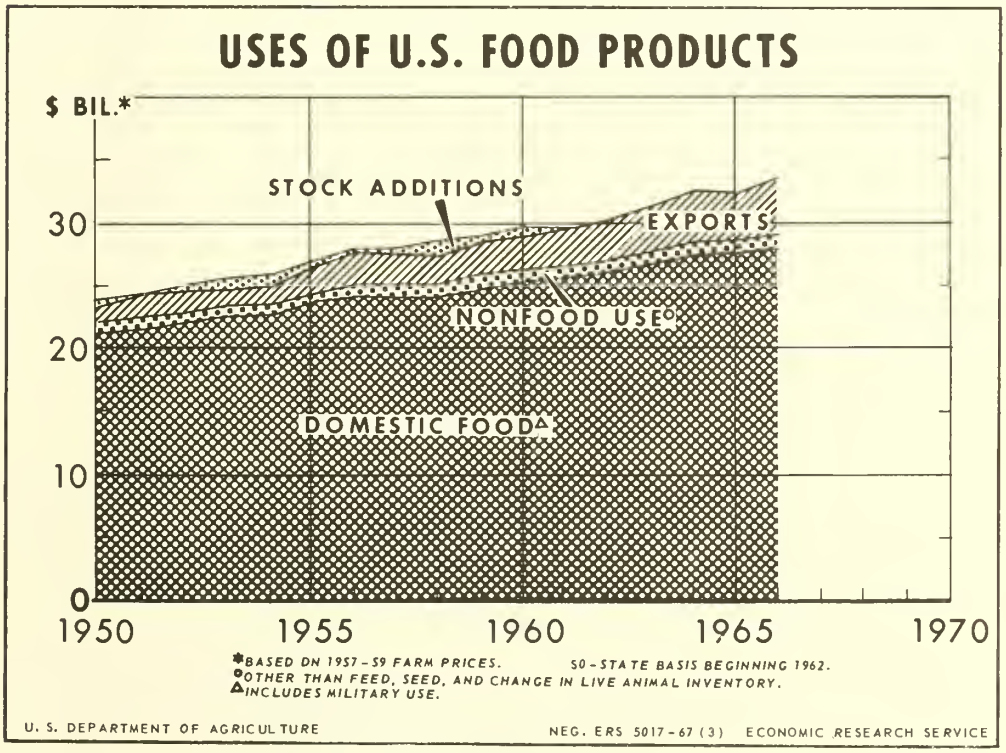


Figure 3

larger. Increasing output this year contrasts with 1966 when production declined 1 percent due to lower crop output. With production lower last year and total utilization higher, stocks of food commodities on January 1, 1967, were reduced 7 percent from a year earlier. If this year's expected output increase materializes, stocks of food commodities likely will increase in 1967 and may largely offset last year's decline. A further small increase is indicated for imports of food commodities, particularly for livestock products. In 1966, current production accounted for 87 percent of the annual total use of all food products, imports for another 10 percent, and stock depletion for the remaining 3 percent (fig. 2 and table 4, section B).

Use of Food Commodities To Expand in 1967

Combined domestic and foreign utilization of food commodities is expected to increase in 1967 because of a 1 percent gain in per capita consumption, a 1 percent growth in the population, and rising military food takings. The increase, however, is not likely to be as large as the 3 percent gain in 1966. Most of the difference is due to exports. Exports of food commodities in calendar year 1966 were over a tenth larger than in 1965. Recent trends in exports of food point to some reduction from the 1965 level, due mostly to smaller exports of grains (although nonfood commodities likely will expand). Nonfood use of food products increased substantially in 1966, but little change from this level is expected in 1967. In 1966, 82 percent of the total use of all food commodities was for civilians, and another 2 percent was for the military. An additional 13 percent of total food was exported and the remaining 3 percent used for nonfood purposes (fig. 3 and table 4, section B).

Per Capita Food Consumption May Set New Record

Per capita food consumption in 1967 is expected to be about 1 percent above the 1966 level (table 2). It may top the previous record established in 1946. Increased consumption is likely both for total animal products and for total crop products (cover chart). Moderate consumption gains are likely in 1967 for pork, poultry (especially turkey), and eggs and a large increase is likely for citrus fruit. The expected rise in consumption this year is about equal to the advance registered in 1966. Last year, consumption increased despite a 5 percent increase in average retail food prices. But this year's consumption gain is accompanying relatively stable prices.

The tables showing production and per capita food consumption of major food commodities have been revised to show as many changes as possible that have resulted from analyzing data recently available from the 1964 Census of Agriculture (tables 6 and 7). Only minor changes were made for most commodities.

New Quarterly Consumption Data

For the first time, indexes of per capita food consumption of livestock products are available on a quarterly basis (table 5). Trends in quarterly consumption for 1955-66 are given for total livestock products and 5 subgroups in figures 4, 5, and 6. The data match the annual indexes of per capita food consumption (table 2). 1/

1/ The quarterly indexes are conceptually equivalent to the annual indexes. Both sets of data combined individual foods on a retail-weight equivalent basis using retail prices in 1957-59 as index weights. They represent disappearance into the marketing system rather than food ingestion. Because of incomplete stock data, especially at wholesale and retail levels, quarterly data for items that are relatively nonperishable should be regarded as approximations of consumption.

Table 5.--Livestock products: Per capita civilian consumption, by quarters, 1955-67 1/

(Index, 1957-59=100)

Year and quarter		Meat	Poultry	Eggs	Dairy products		Fats, including butter	Total livestock products 2/
					Excluding butter	Including butter		
1955	I	104.3	57.5	107.2	100.0	101.1	108.1	99.6
	II	100.5	74.3	101.0	103.6	103.9	103.5	99.6
	III	104.5	83.2	98.4	103.0	103.4	101.1	101.7
	IV	113.2	99.3	108.1	97.8	99.4	114.1	106.6
1956	I	112.1	68.1	108.1	101.4	101.9	109.4	104.6
	II	104.1	84.7	99.3	103.9	104.2	101.5	102.0
	III	103.9	91.3	98.4	102.0	102.1	100.1	101.6
	IV	110.9	108.8	107.2	99.3	100.4	113.7	106.7
1957	I	104.4	72.7	107.2	100.6	100.7	100.8	100.7
	II	99.0	87.2	99.3	102.0	102.1	99.6	99.1
	III	100.1	96.3	98.4	101.0	100.7	96.2	99.8
	IV	104.5	118.8	103.7	99.0	99.7	108.5	103.9
1958	I	95.3	77.4	101.9	98.6	98.5	97.2	95.6
	II	93.8	93.0	96.6	102.3	102.1	102.2	97.1
	III	96.9	110.2	95.7	99.9	99.3	94.3	98.7
	IV	101.2	124.6	102.8	97.7	98.5	107.5	102.3
1959	I	97.8	85.6	102.8	99.6	99.9	102.2	98.1
	II	98.2	102.2	95.7	100.4	99.8	96.2	99.0
	III	101.0	109.2	94.8	100.9	100.2	93.8	100.8
	IV	107.8	122.7	101.0	98.0	98.2	101.8	104.9
1960	I	103.7	79.9	97.5	98.4	97.9	94.3	99.1
	II	98.6	96.5	92.2	101.2	100.0	89.9	98.4
	III	102.2	107.9	90.4	99.8	98.8	87.5	100.2
	IV	102.3	125.0	95.7	96.7	96.8	96.9	101.5
1961	I	99.3	83.3	93.9	97.7	97.2	94.7	96.8
	II	100.8	111.9	89.5	99.8	98.8	91.9	100.0
	III	99.4	120.2	89.5	98.5	97.1	88.0	99.4
	IV	104.7	134.3	94.8	92.4	92.9	102.0	102.1
1962	I	103.4	85.8	93.9	97.5	97.0	94.3	98.8
	II	100.2	105.9	89.5	98.8	97.8	90.3	98.8
	III	100.2	111.7	88.6	98.2	97.3	89.4	99.0
	IV	105.0	138.5	93.9	97.3	96.9	98.6	103.9
1963	I	103.8	87.8	90.4	97.2	96.8	93.7	98.8
	II	103.2	104.8	86.9	99.4	98.4	89.4	100.1
	III	104.5	117.5	87.7	99.0	95.9	70.6	100.8
	IV	110.6	137.2	91.3	95.8	95.5	98.4	105.7
1964	I	106.8	93.9	91.3	98.6	98.1	95.2	101.2
	II	107.5	106.9	86.0	99.5	98.1	82.1	101.9
	III	106.6	120.4	86.9	99.1	96.9	80.5	102.4
	IV	112.8	137.4	90.4	96.0	95.2	89.8	106.3
1965	I	105.3	96.3	88.6	100.2	98.7	86.8	100.6
	II	101.2	111.7	86.9	98.3	96.5	81.7	99.0
	III	103.4	129.7	86.9	96.8	94.4	74.0	100.6
	IV	104.6	149.3	89.5	95.3	94.6	92.1	103.3
1966 3/	I	101.5	103.2	87.7	99.4	97.5	81.1	98.9
	II	104.4	120.2	85.1	97.7	95.1	72.7	100.4
	III	107.2	139.4	86.0	97.1	93.7	70.1	102.9
	IV	109.9	159.7	91.3	94.9	93.0	77.0	105.9
1967 3/	I	110.7	116.5	92.2	97.3	94.4	74.0	103.5

1/ Quantities of individual foods, measured in pounds equivalent to the form sold by retail food stores, combined in terms of average 1957-59 retail prices. Methodology paralleled that for annual data reported in U.S. Food Consumption, SB-364, e.g., consumption is defined as disappearance into the marketing system. For a few, relatively minor, foods seasonal consumption patterns were assumed to be the same as similar-type products for which data are available.

2/ Excludes fish and honey. 3/ Preliminary.

Table 6.--Civilian per capita consumption of major food commodities, primary distribution weight, and civilian population, average 1957-59, annual 1960-66 1/

Commodity	Average 1957-59	1960	1961	1962	1963	1964	1965	1966 preliminary	1966 as percentage of 1957-59	1966 as percentage of 1965
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent	Percent
Meats (carcass weight) - Total	156.6	160.8	160.5	163.1	169.5	174.5	166.9	170.4	109	102
Beef	82.1	85.0	87.8	88.8	94.3	99.7	99.3	103.7	126	104
Veal	7.1	6.1	5.6	5.5	4.9	5.2	5.2	4.6	65	88
Lamb and mutton	4.4	4.8	5.1	5.2	4.9	4.2	3.7	4.0	91	108
Pork (excluding lard)	63.0	64.9	62.0	63.6	65.4	65.4	58.7	58.1	92	99
Fish (edible weight) - Total	10.5	10.3	10.7	10.6	10.7	10.5	10.9	10.6	101	97
Fresh and frozen	5.7	5.7	5.9	5.8	5.8	5.9	6.0	5.9	104	98
Canned 3/	4.2	4.0	4.3	4.3	4.4	4.1	4.4	4.2	100	95
Cured	.6	.6	.5	.5	.5	.5	.5	.5	83	100
Poultry products 4/										
Eggs (farm basis) - Number	356	334	328	326	317	318	314	313	88	100
Chicken (ready-to-cook)	27.5	28.0	30.0	29.9	30.7	31.0	33.3	36.0	131	108
Turkey (ready-to-cook)	6.0	6.1	7.4	7.0	6.8	7.3	7.5	7.8	130	104
Dairy products										
Total milk fat solids 4/	25.6	24.5	24.0	23.8	23.4	23.3	22.8	22.2	87	97
Total nonfat milk solids 4/	43.8	43.2	42.5	42.4	41.6	41.6	41.2	41.3	94	100
Cheese	7.9	8.3	8.6	9.2	9.2	9.4	9.5	9.9	125	104
Condensed and evaporated milk	14.8	13.7	13.3	12.5	11.6	11.3	10.6	10.0	68	94
Fluid milk and cream 4/	335	320	310	306	305	302	299	296	88	99
Ice cream (product weight)	18.4	18.3	18.0	17.9	18.0	18.2	18.5	18.2	99	98
Fats and oils - Total, fat content 4/ 5/	45.3	45.2	45.1	45.7	46.3	47.5	47.7	48.6	107	102
Butter (actual weight)	8.2	7.5	7.4	7.3	6.9	6.8	6.4	5.7	70	89
Margarine (actual weight)	8.9	9.4	9.4	9.3	9.6	9.7	9.9	10.5	118	106
Lard	9.3	7.6	7.7	7.2	6.4	6.3	6.4	5.6	60	88
Shortening	11.4	12.6	12.8	13.4	13.5	13.7	14.0	15.9	139	114
Other edible fats and oils	10.8	11.5	11.2	11.7	13.1	14.1	14.1	14.1	131	100
Fruits										
Fresh (farm weight) - Total	95.7	94.5	89.3	84.9	76.1	81.8	83.5	84.1	88	101
Citrus	33.5	33.1	30.2	28.9	22.1	26.1	29.0	29.1	87	100
Apples (commercial)	21.6	20.1	18.5	19.4	18.4	20.1	18.4	18.6	86	101
Other (excluding melons)	40.6	41.3	40.6	36.6	35.6	35.6	36.1	36.4	90	101
Processed:										
Canned fruit	22.5	22.8	23.4	22.9	23.1	23.3	23.7	23.1	103	97
Canned juice	13.5	12.9	11.7	11.6	12.9	11.4	10.8	11.7	87	108
Frozen (including juices)	8.6	9.1	8.8	9.7	8.0	7.4	8.5	7.9	92	93
Dried	3.3	3.1	3.1	3.0	3.0	3.0	2.8	2.9	88	104
Vegetables										
Fresh 6/	104.3	105.8	104.9	102.8	103.2	100.8	101.0	99.7	96	99
Canned, excluding potatoes and sweetpotatoes	43.0	43.0	43.0	44.4	45.0	44.5	45.5	45.8	107	101
Frozen, excluding potatoes	6.6	7.1	7.1	7.7	7.4	8.0	8.5	8.7	132	102
Potatoes and sweetpotatoes										
Potatoes, fresh equivalent 7/	106.8	108.2	109.3	108.1	112.1	110.3	107.2	116.9	109	109
Frozen potatoes, product weight	1.6	2.7	2.8	3.9	4.5	5.8	5.7	6.9	431	121
Sweetpotatoes, fresh equivalent 7/	8.3	7.3	6.8	7.7	7.4	6.4	7.7	7.2	87	94
Dry edible beans	7.7	7.3	8.0	7.7	7.7	7.6	6.6	6.5	84	98
Melons	25.1	25.6	24.7	23.2	24.7	23.2	24.2	22.5	90	93
Sugar (refined)	96.1	97.6	97.7	97.2	96.6	96.5	96.4	98.0	102	102
Grains										
Cornmeal and flour	7.4	6.6	6.3	6.1	5.9	5.8	5.7	5.6	76	98
Corn sirup	9.4	10.1	10.6	11.5	12.3	13.6	13.6	14.0	149	103
Corn sugar	3.6	3.7	3.7	3.9	4.5	4.4	4.5	4.5	125	100
Oat food products	3.6	3.6	3.6	3.7	3.7	3.7	3.7	3.7	103	100
Wheat flour 8/	120	118	118	115	116	117	115	114	95	99
Wheat cereals	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	104	100
Rye flour	1.2	1.2	1.1	1.1	1.1	1.1	1.1	1.1	92	100
Rice, milled	5.4	6.1	6.2	7.4	6.6	7.0	7.6	7.3	135	96
Other										
Coffee (green beans)	15.7	15.8	15.8	15.9	15.7	15.3	14.8	14.5	92	98
Tea	.60	.60	.60	.66	.67	.69	.69	.70	117	101
Cocoa beans	3.5	3.6	3.9	3.8	3.9	3.9	4.0	4.2	120	105
Peanuts (shelled)	4.6	4.9	4.9	4.9	5.0	5.3	5.6	5.6	122	100
	Million	Million	Million	Million	Million	Million	Million	Million	Percent	Percent
Civilian population 9/	171.5	178.2	181.2	183.8	186.7	189.4	191.9	193.7	113	101

1/ Quantity in pounds except for eggs which are stated in number. Data on calendar year basis except for dried fruits, which are on pack year basis, fresh citrus fruits and peanuts on a crop year basis, and rice on August 1 year. All years begin in the year indicated except for fresh citrus, which begins in October of the previous year, and rice which begins in August of previous year. 2/ Not available. 3/ Includes fish content of items such as clam chowder. 4/ Data incorporates information from the 1964 Census of Agriculture. 5/ Computed from unrounded data. 6/ Covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets. Excludes farm garden output for farm household use. 7/ Includes quantities canned and frozen. 8/ Includes white, whole wheat, and semolina flour. 9/ Census estimates of July 1 civilian population (50 States beginning 1960). Used to derive per capita figures except for sugar, dried fruit, peanuts, and rice.

Table 7.--Production of major food commodities, average 1957-59, annual 1960-66 1/

Commodity	Unit	Average 1957-59	1960	1961	1962	1963	1964	1965	1966 preliminary 2/	1966 as percentage of 1957-59	1966 as percentage of 1965
										Percent	Percent
Meats (carcass weight) - Total	Mil. lb.	26,612	28,242	28,620	28,989	30,595	32,705	31,560	32,604	123	103
Beef	Mil. lb.	13,704	14,751	15,323	15,320	16,450	18,448	18,718	19,680	144	105
Veal	Mil. lb.	1,240	1,109	1,045	1,016	928	1,011	1,018	928	75	91
Lamb and mutton	Mil. lb.	711	768	832	809	770	715	651	650	91	100
Pork (excluding lard)	Mil. lb.	10,957	11,614	11,420	11,844	12,447	12,531	11,173	11,346	104	102
Poultry and eggs 3/ 4/											
Eggs	Mil. doz.	5,475	5,339	5,358	5,403	5,345	5,435	5,474	5,538	101	101
Chicken (ready-to-cook)	Mil. lb.	4,880	5,208	5,787	5,825	6,047	6,219	6,649	7,303	150	110
Turkey (ready-to-cook)	Mil. lb.	1,065	1,156	1,506	1,302	1,355	1,459	1,521	1,678	158	110
Dairy products											
Total milk 4/	Bil. lb.	123.3	123.1	125.7	126.3	125.2	127.0	124.2	120.2	97	97
Cheese 5/	Mil. lb.	1,396	1,478	1,635	1,592	1,632	1,723	1,756	1,874	134	107
Condensed and evaporated milk	Mil. lb.	2,789	2,666	2,631	2,409	2,369	2,395	2,182	2,251	81	103
Ice cream (product weight)	Mil. lb.	3,212	3,358	3,357	3,381	3,444	3,546	3,634	3,620	113	100
Fats and oils - Total fat content 4/ 6/	Mil. lb.	11,070	12,321	12,334	13,331	13,681	14,051	14,285	14,440	130	101
Butter (actual weight) 4/	Mil. lb.	1,477	1,436	1,536	1,579	1,454	1,469	1,344	1,135	77	84
Lard 4/ 7/	Mil. lb.	2,584	2,562	2,514	2,476	2,473	2,473	2,045	1,929	75	94
Margarine (actual weight)	Mil. lb.	1,549	1,695	1,724	1,726	1,794	1,857	1,904	2,110	136	111
Shortening	Mil. lb.	2,022	2,313	2,456	2,689	2,584	2,664	2,792	3,181	157	114
Other edible fats and oils 8/	Mil. lb.	7,297	8,603	8,585	9,584	10,038	10,395	11,158	11,597	159	104
Fruits											
Fresh:											
Citrus	Mil. lb.	6,695	6,776	6,360	6,180	4,852	5,688	6,410	6,686	100	104
Apples (commercial)	Mil. lb.	3,972	3,472	3,827	3,784	3,775	3,988	3,780	3,750	94	99
Other (excluding melons)	Mil. lb.	4,082	3,945	4,041	4,079	3,687	3,793	3,840	3,863	95	101
Processed:											
Canned fruit	Mil. lb.	3,591	4,345	4,697	4,922	4,371	5,418	4,709	5,033	140	107
Canned fruit juices	Mil. lb.	2,130	2,620	2,482	2,550	2,668	2,293	2,336	2,625	123	112
Frozen (including juice)	Mil. lb.	1,556	1,620	1,741	2,037	1,232	1,533	1,657	1,550	100	94
Dried	Mil. lb.	697	694	758	722	774	829	858	779	112	91
Vegetables 9/											
Fresh 10/	Mil. lb.	19,921	21,497	21,171	21,023	21,391	21,196	21,790	21,299	107	98
Canned	Mil. lb.	7,620	7,780	8,600	9,258	8,615	8,494	8,822	9,098	119	103
Frozen	Mil. lb.	1,183	1,402	1,531	1,493	1,455	1,507	1,778	1,852	157	104
Potatoes and sweetpotatoes											
Potatoes	Mil. cwt.	252	258	294	267	272	240	290	301	119	104
Frozen potato products	Mil. lb.	287	551	579	762	861	1,118	1,219	1,460	509	120
Sweetpotatoes	Mil. cwt.	18.2	15.4	15.2	19.4	15.8	15.3	18.7	16.3	90	87
Dry edible beans 4/ 11/ 12/	Mil. lb.	1,782	1,741	1,967	1,794	1,998	1,738	1,646	2,027	114	123
Dry field peas 4/ 11/	Mil. lb.	376	327	356	508	489	488	408	372	99	91
Melons 10/	Mil. lb.	4,454	4,645	4,446	4,478	4,742	4,292	4,540	4,353	98	96
Sugar, raw basis	1,000 tons	2,732	4,012	4,268	4,399	4,870	5,587	5,371	5,276	193	98
Grains 4/											
Wheat	Mil. bu.	1,177	1,355	1,233	1,092	1,147	1,283	1,316	1,311	111	100
Rye	Mil. bu.	28.3	33.1	27.3	40.7	29.2	32.5	33.2	27.9	99	84
Rice, rough	Mil. cwt.	45.7	53.7	54.6	54.2	66.1	70.3	73.2	76.3	167	104
Corn, grain only	Mil. bu.	3,409	3,907	3,598	3,606	4,019	3,484	4,084	4,103	120	100
Oats	Mil. bu.	1,247	1,153	1,010	1,012	966	852	927	798	64	86
Barley	Mil. bu.	447	429	392	428	393	386	392	390	87	99
Peanuts, farmers' stock 13/	Mil. lb.	1,591	1,718	1,657	1,719	1,942	2,099	2,384	2,411	152	101

1/ Calendar year basis except for fresh citrus fruit for which the season begins in the fall of the previous year; dried fruits on a pack year beginning year indicated; rice on a marketing year ending year indicated. 2/ Based on the best available information but subject to revision in line with later data from the Crop Reporting Board. 3/ Includes an allowance for nonfarm production. 4/ Data incorporates information from the 1964 Census of Agriculture. 5/ Excludes full skim, cottage, pot, and bakers' cheese. 6/ Includes butter, lard, and "other edible fats and oils." 7/ Includes amount used in manufactured food and nonfood products. 8/ Includes cottonseed, peanut, soybean, corn, edible olive, and oleo oils, oleo stock, oleostearine, and edible tallow later processed into margarine, shortening cooking and salad oils, etc., and nonfood items. 9/ Excludes potatoes and sweetpotatoes. 10/ Covers total commercial production for sale as fresh both for shipment to distant markets and for local markets; includes quantities not harvested. Excludes farm garden output for farm household use. 11/ Cleaned basis. 12/ Beginning 1959, excludes seed beans produced on contracted acreage. 13/ Beginning 1959 on a net-weight basis (cleaned and adjusted to standardized moisture content).

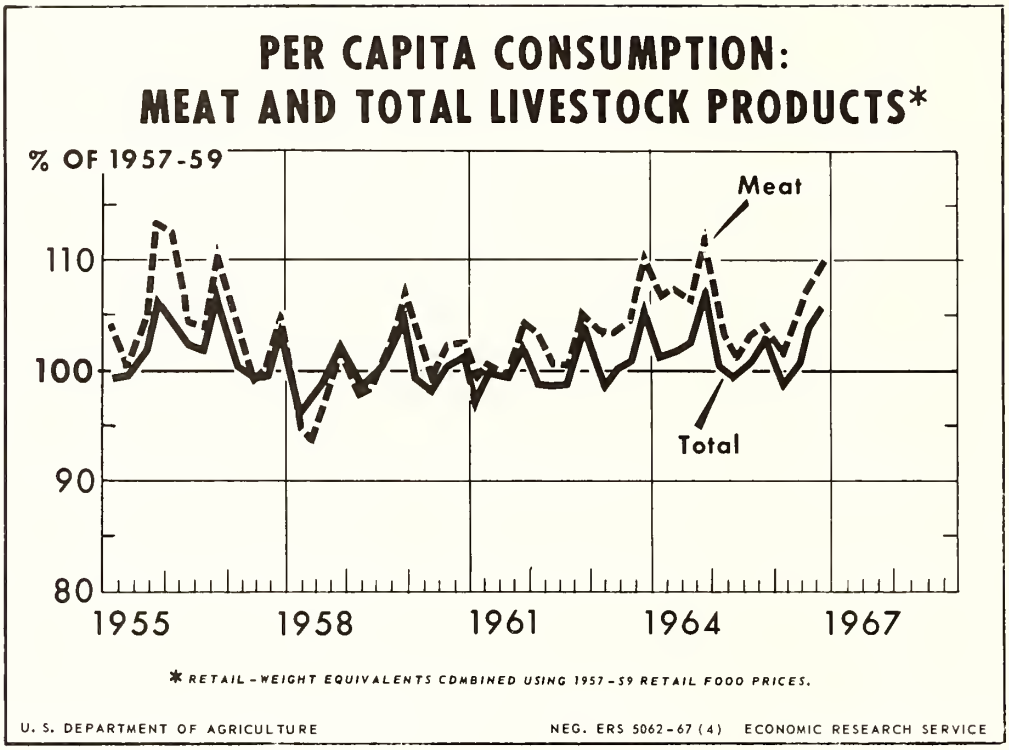


Figure 4

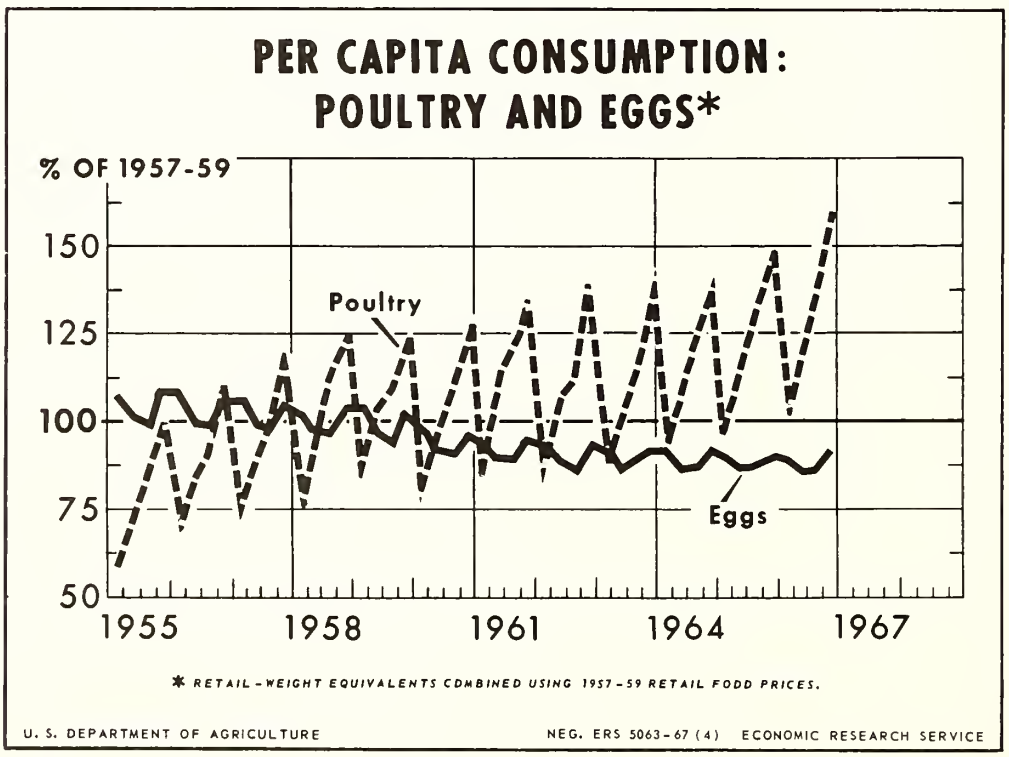


Figure 5

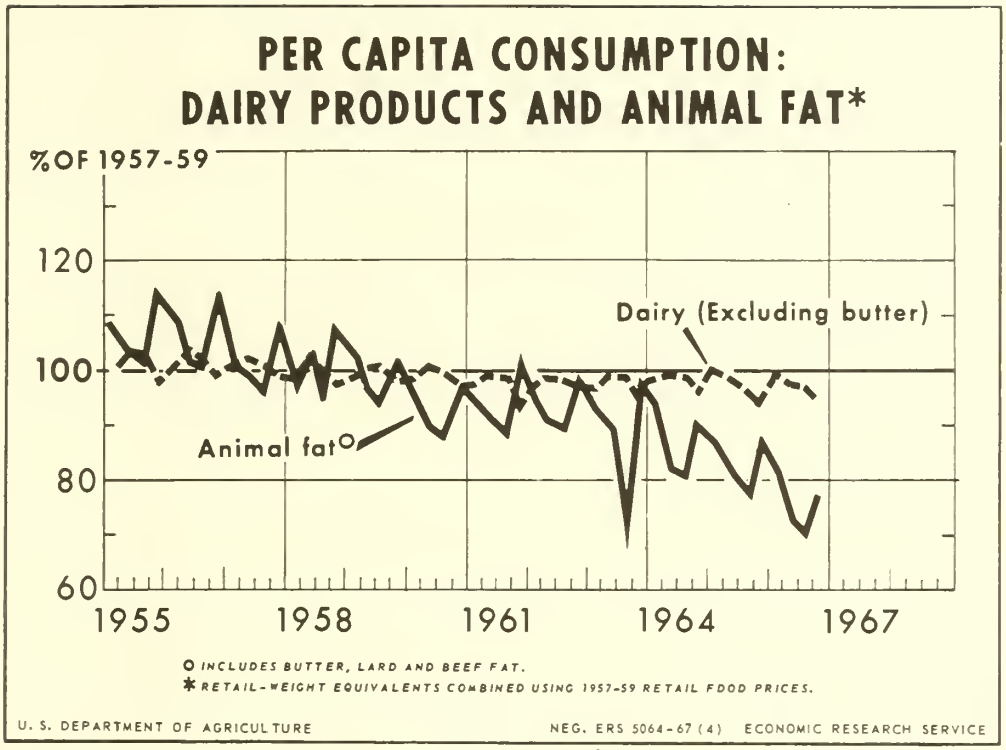


Figure 6

However, the total livestock product index differs from the animal product index by the omission of fishery products.

Total livestock product consumption was lowest during either the first or second quarters of the year. Consumption usually rose in the third quarter and reached a peak in the fourth quarter of the year. The quarterly consumption pattern was more clearly defined for total livestock products than for meat alone. Meat consumption generally was highest in the fourth quarter, but the remaining quarters showed a mixed pattern. Poultry consumption, strongly influenced by turkey, followed the clearest seasonal pattern, with consumption increasing progressively throughout the year on a quarterly basis. Consumption of dairy products followed a distinct quarterly pattern until the last 2 or 3 years. Per capita consumption of eggs and animal fats was consistently higher during the first and last quarters of the year than during the second and third quarters.

Total consumption of all livestock products appeared to be as seasonally diverse in recent years as a decade earlier. The variation in quarterly dairy product consumption tended to disappear over the 1955-66 period. Seasonality of egg and meat consumption appeared to decline slightly over this period, but no decline was noted in seasonality of poultry.

Livestock Product Consumption
Expanding in 1967

Per capita consumption of total livestock products in first-quarter 1967 was unusually strong--about 5 percent above first-quarter 1966. Second quarter consumption appears to be easing below the first-quarter rate but remaining above a year earlier. Less than the usual seasonal increase in consumption is likely during the

second half year if farmers carry through on current intentions to cut back output of pork, poultry, and eggs.

Meat consumption in first-quarter 1967 was estimated a sharp 9 percent greater than a year earlier and it slightly exceeded the previous quarter. The prospect for generally declining meat consumption from the first-quarter high level contrasts with the typical pattern in 1955-66.

Beef consumption this year is expected to hold around the 104 pounds (carcass weight) per capita in 1966 (table 6). Increased supplies of grain fed beef are expected to offset lower production of other beef, mostly cow beef. Pork consumption is increasing this year and may exceed the relatively low 1966 level of 58 pounds per capita by 3 or 4 pounds. Pork supplies likely will decline seasonally this summer but remain above a year earlier. Veal consumption likely will decline again this year and lamb consumption may hold about steady with 1966. Per capita consumption of fishery products is expected to stabilize this year, at around last year's reduced level of 10.6 pounds per capita.

Poultry supplies in early 1967 were much larger than a year earlier because of increased production and a greater carryover of frozen stocks from 1966. Per capita consumption in the first quarter ran around 13 percent above a year earlier. Supplies likely will continue to exceed those of a year earlier well into the summer, although producers appear to be cutting back production. Consumption of chicken this year may exceed 1966's 36 pounds per capita by 4 or 5 percent (fig. 7). Turkey consumption may exceed the 1966 level of 8 pounds per capita by over one-tenth, partly because of the trend toward use of turkey in convenience foods. Last year, nearly a fourth of the turkey consumed was processed beyond the cut-up stage.

Egg production ran well above year-earlier levels in early 1967. Per capita consumption was 5 percent higher than a year earlier during the first quarter. Egg producers are expected to slow the upward trend in output after midyear. This year's unusually strong uptrend in egg production likely will result in per capita egg consumption in 1967 exceeding the average of 313 eggs consumed in 1966. Per capita egg consumption estimates for recent years were revised upward on the basis of the 1964 Census of Agriculture. The revision amounted to 2 percent for 1964 and 1965 and 3 percent for 1966. It resulted in a slowing of the previously estimated rate of decline in per capita egg consumption.

Milk production last year totaled 120 billion pounds, 3 percent less than in 1965. With higher producer prices, output in first quarter 1967 slightly exceeded the year-earlier level, while per capita consumption continued to run lower. Little change in production from year-earlier levels is occurring in the second quarter. Per capita consumption of milk in all forms totaled 603 pounds (milk equivalent) per person in 1966. This represented a decline of about 2 percent from a year earlier. Most of the decline was accounted for by reduced domestic donations of butter and cheese from CCC supplies; commercial sales of total dairy products per capita increased. CCC purchases increased in recent months as prices receded to support levels when milk supplies increased and commercial disappearance declined. Increased USDA donations for domestic programs likely will slow the decline in per capita consumption of total dairy products in 1967.

Consumption of Food From Crops to Rise

Per capita consumption of total fats and oils this year likely will total near the 48½ pounds (fat content) consumed in 1966. A further decline is expected in consumption of butter. Per capita consumption of cooking and salad oil and shortening

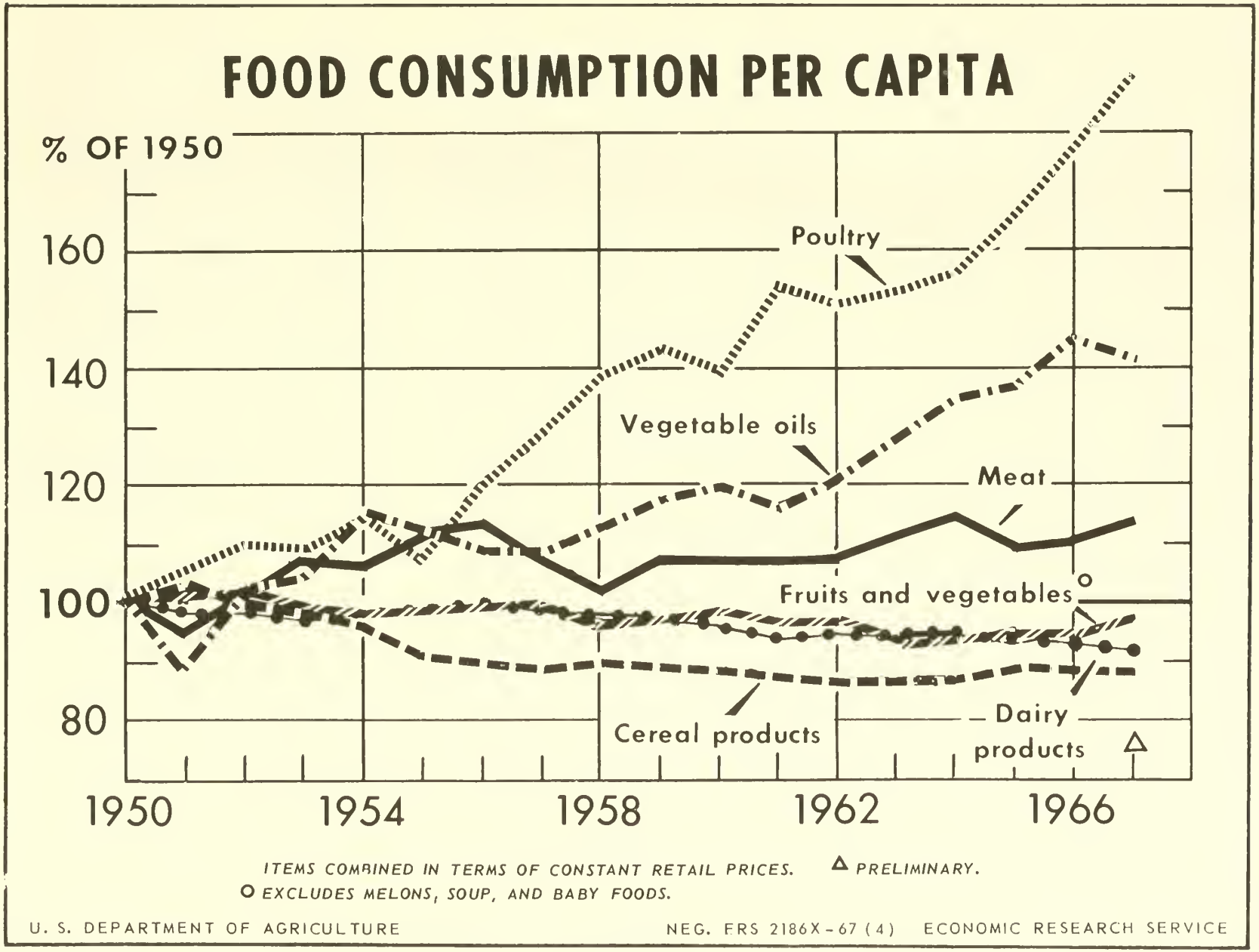

FOOD CONSUMPTION PER CAPITA
% OF 1950
160
140
120
100
80
1950
1954
1958
1962
1966
Poultry
Vegetable oils
Meat
Fruits and vegetables
Cereal products
Dairy products
ITEMS COMBINED IN TERMS OF CONSTANT RETAIL PRICES.
PRELIMINARY.
EXCLUDES MELONS, SOUP, AND BABY FOODS.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 2186X-67 (4) ECONOMIC RESEARCH SERVICE

Figure 7

may decline from high 1966 levels. The direct use of lard likely will stabilize, but margarine consumption probably will continue to rise.

Production of citrus fruit in 1966/67 is expected to total more than a fourth above a year earlier. Increases are taking place for all major citrus products. The U.S. Department of Agriculture has announced the purchase of nearly 15 million gallons of frozen orange juice concentrate for use in school lunches and for donation. Per capita consumption of fresh citrus is estimated over a tenth above 1966. Canned citrus juice may be up a somewhat lesser amount but consumption of frozen citrus likely will be up a fourth. Consumption also may increase for canned peaches, pears, and fruit cocktail. Total fruit consumption this year may rise as much as 5 percent above 1966, barring unusual weather conditions later this year.

Per capita consumption of total vegetables is not expected to change much this year from 1966. Some increase is likely for processed vegetables, particularly those frozen. But little change is indicated at this time for fresh vegetables. Planting intentions suggest that output of processed vegetables this summer may be up substantially if average yields are obtained.

Per capita consumption of potatoes may decline slightly this year if growers carry through planting intentions. Consumption of frozen potatoes likely will increase as usual. The output of spring-crop potatoes is expected to be well below last year although larger storage stocks are available from last fall. Planting intentions show a small decline in acreage of summer and fall potatoes. Lower acreages also are indicated for sweetpotaotes and dry edible beans for 1967.

Domestic supplies of wheat and rice again will be much more than sufficient to meet domestic food requirements in 1967. Per capita consumption of wheat flour used in all products in 1966 dropped to a new low of 114 pounds per capita, down 1 pound from 1965 and 4 pounds from 1960. Rice is the only cereal to show increased per capita consumption in recent years; a further gain is likely this year.

Per capita consumption of cornmeal, hominy grits, and prepared cereals apparently was about the same in 1966 as a year earlier. However, the production of wet-processed food products from corn increased slightly again last year. Per capita consumption of corn sirup increased 3 percent. Corn sugar (dextrose) consumption remained about steady with 1965, but corn starch consumption declined slightly. Consumption of these products is not likely to change much in 1967, judging from first-quarter disappearance rates.

Sugar consumption in all products may decline slightly this year on a per capita basis, following last year's upturn from the 1965 level. Per capita consumption of coffee likely will not change much from the 1966 average of 14.5 pounds (green bean equivalent). Similarly, little change is likely for cocoa products and tea. (See "Situation" articles on each of these products for details).

Military Food Takings

In 1966, military food takings accounted for about 2.2 percent of total domestic food use, although military forces made up only 1.6 percent of the total population. Central procurement of food for the military amounted to $1.1 billion in 1966 compared with $1.0 billion a year earlier. Procurement during January-February 1967 was about the same as a year earlier. Per capita use by the military is larger than for civilians, so any expansion of military forces this year would require proportionately larger food supplies. To a large extent, increased military takings represent substitution of military use for civilian consumption, although military takings are relatively large for certain foods, such as meat.

At least $2 billion worth of food was used by military personnel and their dependents in fiscal year 1966. Most of the food centrally procured by the military is used directly for troops, although part of it--roughly a fifth of the total--is resold through commissaries (mostly overseas). Commissary purchases--most of which come directly from commercial sources--in fiscal year 1966 totaled around $1.3 billion.

Shifts in Domestic Food Programs

Around a fifth of all U.S. civilians participated in 1 or more USDA-administered food assistance programs in fiscal year 1966. About three-fourths of these recipients were children participating in the School Lunch and Special Milk Programs. Expansion of the Food Stamp Program in fiscal year 1966 doubled the number of persons under that program compared with the previous year. But, participation in the Commodity Distribution Program declined, both because of improved economic conditions and because it was superseded by the Food Stamp Program in many communities.

The value of food commodities donated for needy persons in fiscal 1967 may drop around 25 percent from a year earlier, but expenditures under the Food Stamp Program (the value of the portion of the food coupons that represent additional food purchasing power) will be around 70 percent larger. For the first time, Federal expenditures under the Food Stamp Program will about equal the value of commodities directly donated to needy persons. Under the Food Stamp Program, participants contributed 63 percent of the total value of stamps issued in fiscal year 1966.

The quantity of surplus food commodities donated to domestic outlets including needy persons, schools, and institutions, plus the commodities donated under the School Lunch Program totaled 1.5 billion pounds in calendar year 1966, down 20 percent from 1965 (table 8). All of the reduction was accounted for by animal products, which declined by a half. Total donations of food from crops were up slightly. In 1966, donations of crop products accounted for half of the total foods donated in contrast to only a third of the total a year earlier.

Direct donations of commodities accounted for 0.6 percent of all food consumed by civilians in 1966, compared with 0.9 percent in 1965, and 1.1 percent in 1964. This comparison, which was made on the basis of values using constant prices, shows a greater decline than does the poundage basis because of the declining importance of livestock products.

COMMODITY SITUATIONS

Fishery Products 1/

Consumption Declined in 1966

Total supplies of fishery products for 1966 rose more than 3 percent above 1965 to nearly 2.7 billion pounds, edible weight. This record high reflected further gains for imported fishery products while the domestic catch for food held at the 1965 level. Although the quantity available was larger, stocks were rebuilt and per capita consumption dropped to 10.6 pounds (edible weight) in 1966, off 0.3 pound from a year earlier. The consumption of fresh and frozen products slipped a tenth of a pound and canned products about two-tenths of a pound.

Retail prices of fishery products, as measured in the Consumer Price Index, advanced throughout 1966. For the year, these prices averaged 6.5 percent above a

1/ Prepared by Fish and Wildlife Service, U.S. Department of the Interior.

Table 8.--USDA domestic donations of commodities to schools, institutions, and needy persons, 1960-66 1/

Item	1960	1961	1962	1963	1964	1965	1966
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Meat							
Beef	56.8	62.9	41.0	26.8	196.9	201.0	53.1
Pork	29.8	68.8	31.1	28.1	20.4	.1	---
Lamb	.2	12.1	.1	---	---	---	---
Mixtures	---	63.3	143.0	122.8	63.0	35.5	51.0
Total	86.8	207.1	215.2	177.7	280.3	236.6	104.1
Poultry							
Turkey	20.2	50.1	42.7	47.6	56.4	39.6	20.2
Poultry, other	3.6	33.3	41.9	55.9	53.9	33.9	45.1
Total	23.8	83.4	84.6	103.5	110.3	73.5	65.3
Eggs 2/	22.3	24.0	10.3	8.8	16.7	2.8	---
Dairy products							
Butter	82.9	147.6	160.7	169.0	179.9	132.9	50.9
Cheese	27.4	23.3	143.6	129.6	133.4	82.0	4.6
Nonfat dry milk	107.5	170.6	179.0	165.1	153.0	147.9	127.1
Total	217.8	341.5	483.3	463.7	466.3	362.8	182.6
Fats and oils							
Lard and shortening	48.7	108.5	97.3	96.1	91.5	89.2	90.0
Margarine	---	---	---	---	---	31.6	44.5
Fruits							
Fresh	---	8.6	16.2	26.9	26.1	9.1	---
Canned	76.7	101.7	87.6	66.0	103.1	94.0	88.4
Dried	1.5	.1	10.5	---	1.4	1.0	38.7
Frozen	---	---	---	---	---	4.0	4.7
Total	78.2	110.4	114.3	92.9	130.6	108.1	131.8
Vegetables							
Fresh	---	2.2	---	---	---	---	.5
Canned	40.4	54.5	74.9	86.1	89.2	50.9	48.9
Dried beans and peas	15.4	109.6	141.0	114.4	106.0	81.2	37.8
Total	55.8	166.3	215.9	200.5	195.2	132.1	87.2
Potatoes and sweetpotatoes	3.5	8.2	38.1	25.6	---	9.4	24.2
Cereal products							
Bulgur	---	---	---	2.2	4.4	4.9	4.9
Cornmeal and grits	124.1	183.9	179.5	155.3	158.3	151.0	141.6
Oats (rolled)	---	43.5	1.5	---	---	---	.6
Rice	95.7	123.6	122.9	125.1	104.2	95.8	87.6
Wheat flour	339.7	489.7	505.7	466.6	482.6	482.9	445.2
Wheat (rolled)	---	---	80.2	65.4	57.6	51.5	43.6
Total	559.5	840.7	889.8	814.6	807.1	786.1	723.5
Other 3/	7.9	39.4	41.0	37.5	44.6	42.3	42.9
Total all commodities	1,104.3	1,929.5	2,189.8	2,020.9	2,142.6	1,874.5	1,496.1

1/ Includes commodities distributed under the National School Lunch Program; excludes distribution to U.S. Territories. Data are in terms of product weight so for some items are not comparable over time. 2/ Shell eggs and dried. 3/ Includes olive oil, peanut butter, and minor amounts of other items.

year earlier. As prices moved up, imports continued heavy and stocks of frozen products mounted. By year's-end, frozen stocks were a fifth above a year earlier and record high. There was much concern during the latter part of the year over the effects of ending meatless Fridays for Roman Catholics in the United States. Any effect the decree may have had on sales of seafood is not yet known.

Cold storage holdings of edible fishery products usually work down during the first quarter of the year. During first-quarter 1967, frozen stocks were reduced, but not as much as usual. As the second quarter began, there were heavier than average holdings of fillets and steaks of cod, flounder, halibut, and ocean perch, fish sticks and portions, whiting, spring lobster tails, shrimp, and oysters.

Outlook

Landings increase seasonally in the second quarter. But, less than a third of the year's catch of edible food fish normally are landed in the first 5 months. Consequently, frozen stocks likely will work lower for a while then turn up seasonally with heavier landings this summer. Retail prices may soften from first-quarter levels for some of the more popular items. For the entire year, per capita consumption of fishery products likely will hold at about the 10.6 pounds registered in 1966.

Fish Protein Concentrate

Half of the estimated 3.3 billion persons in the world is underfed or undernourished. Perhaps protein hunger is the most desperate human problem of the century. The Bureau of Commercial Fisheries is pushing ahead on plans for the construction and leasing of pilot plants to demonstrate the feasibility of large-scale production of fish protein concentrate (FPC).

This product is a comparatively recent development that holds much promise of alleviating protein deficiency in the world. FPC is a virtually odorless, tasteless, light tan powder. It contains over 80 percent animal protein and several nutritionally beneficial minerals. About 6 pounds of fish are required to produce 1 pound of fish protein concentrate. Scientists of the Bureau of Commercial Fisheries found that the concentrate blends well with other forms of food, and it has been successfully tested as an ingredient in beverages, soups, noodles, gravy, bread, and cookies. The addition of the concentrate to these products materially increases their nutritive value.

Sweeteners

Sugar

U.S. sugar consumption requirements for calendar 1967 are currently 10.4 million tons (raw value 1/). Per capita consumption of refined sugar in 1967 probably will be slightly less than the 98 pounds in 1966 (table 6).

Based on planting intentions and normal yields, U.S. beet sugar output may be about 3 percent higher this calendar year than in 1966 but probably somewhat less than the current marketing quota of 3,025,000 tons. However, actual plantings can differ somewhat from present indications, and yield per acre and sugar content is dependent upon the weather.

Mainland cane sugar output of 1,212,000 tons (raw value) in 1966 was 9 percent above 1965's output. The total Mainland quota for 1967 is 1,100,000 tons, the same as

1/ 107 pounds of sugar, raw value, is equivalent to 100 pounds of refined sugar.

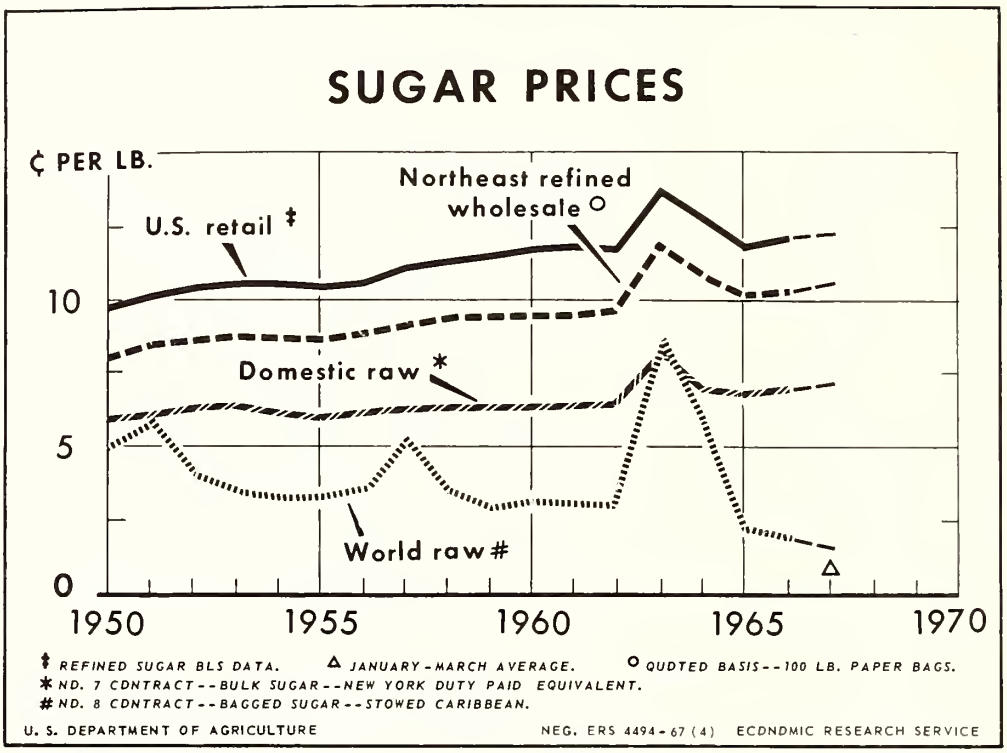


Figure 8

in 1966. Acreage allotments continue in effect in 1967. Hawaiian output of 1,234,000 tons in 1966 was about 1 percent above 1965, but Puerto Rican output of 887,000 tons was down about 1 percent. This year's Hawaiian output may be as large as in 1966; but Puerto Rican output may be somewhat less.

Annual movements in several representative sugar prices since 1950 are shown in fig. 8. The domestic raw sugar price (duty paid and delivered at New York) was quoted at 7.27 cents per pound (raw value) as of May 4, up 5 percent from a year earlier. The world price has increased to 2.50 cents per pound (as of May 4) from a low of 1.23 cents in January.

Northeast wholesale refined cane sugar in April was quoted at 10.60 cents per pound, up from 10.20 cents the previous April. Chicago-West wholesale beet sugar was quoted at 9.65 cents per pound compared with 9.55 cents last April. U.S. retail sugar prices (5-lb. package) averaged 12.24 cents per pound in March 1967, up 2½ percent from the 11.94 cents in March 1966.

Corn Sweeteners

Corn sirup price quotations in April continued at 8.34 cents per pound (dry weight) New York and 7.12 cents per pound in Chicago, the same level as in April 1966. In 1965 and 1966, corn sirup prices averaged about 79 percent of the quoted price for wholesale refined sugar.

Wholesale dextrose (corn sugar) prices in New York in April reported at 9.10 cents per pound (dry basis) compared with 8.76 cents per pound the previous April. In 1966, wholesale dextrose prices averaged 86 percent of wholesale refined sugar prices.

Noncaloric Sweeteners

Saccharin imports, mostly from Japan, totaled 8.37 million pounds in 1966, one-fourth of estimated total use last year.

In December 1966, the price of calcium saccharin (about 10 percent of total use) declined from $2.10 per pound to $1.68, a 20 percent decline. The price of soluble (sodium) saccharin (about 85 percent of the total) declined from $1.40 to $1.30 per pound and insoluble saccharin (acid form) dropped from $1.45 to $1.35 per pound. However, cyclamate prices remained unchanged from October 1, 1966, at 55 cents per pound.

Cocoa and Chocolate

U.S. per capita consumption of cocoa and chocolate products in 1966 reached 4.2 pounds (cocoa bean equivalent), up from 4.0 pounds in 1965 and the highest since 1950 when consumption was 4.4 pounds (table 6). Declining cocoa prices help to explain increasing consumption. As usual, about 80 percent of last year's consumption was domestically ground from imported cocoa beans; the balance came from imports of semiprocessed products--unsweetened chocolate (chocolate liquor), cocoa butter, cocoa powder--and finished products such as chocolate bars.

The primary difference between cocoa and chocolate is the fat content. Chocolate usually contains about 35 percent fat, of which about half is added cocoa butter (fat). Cocoa powder normally contains only 10 to 15 percent cocoa fat. Either product may be commercially marketed sweetened or unsweetened. Milk solids are added to make milk chocolate or cocoa. Chocolate is priced substantially higher than cocoa. In March 1967, cocoa butter sold for 65 cents per pound and cocoa powder (10 to 12 percent fat), 17 cents.

Cocoa bean prices (New York "spot" Accra) averaged 24.4 cents per pound during 1966, up from 17.3 cents per pound in 1965. First-quarter 1967 prices averaged 28.8 cents. Rising prices have resulted from world consumption exceeding production. Cocoa prices for the remainder of 1967 probably will not exceed 30 cents per pound.

Because of rising cocoa prices, some manufacturers have reduced the size of their chocolate bars. In view of the reduced bar size and anticipated slightly larger imports of semiprocessed products, the U.S. cocoa bean grind this year probably will not be as high as last year (647.7 million pounds), although the first-quarter grind was 1 percent greater than a year earlier.

Confectionery

Based on preliminary data, U.S. shipments of candy in 1966 increased about 7 percent from 1965. Per capita consumption rose from 18.2 pounds in 1965 to approximately 18.9 pounds in 1966 and was well above the level of 17.1 pounds in 1962. Confectionery prices increased last year. Wholesale prices increased roughly 2 to 3 percent and retail prices rose 3 to 5 percent over 1965.

Beverages

Coffee

Per capita coffee consumption of 14.5 pounds (green bean equivalent) in 1966 declined from 14.8 pounds in 1965 and 15.3 pounds in 1964 (table 6). Per capita consumption this year likely will approximate the 1966 level.

Table 9.--Wholesale and retail coffee prices, per pound, by quarters, 1965 to first quarter-1967

Quarter and year	Wholesale green coffee 1/			Wholesale processed coffee		Retail coffee		
						Roasted		
	Columbian	Brazilian	Robusta	Roasted 1-pound can	Instant 6-ounce jar 2/	1-pound can	1-pound bag	Instant 6-ounce jar 2/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1965								
I	48.6	45.4	28.1	80.3	99.3	84.3	72.3	104.0
II	47.5	45.2	25.8	80.3	88.1	83.4	71.6	91.4
III	48.3	44.8	35.8	80.3	84.0	83.3	71.1	93.3
IV	49.6	43.4	36.6	80.3	84.0	82.3	69.8	92.2
Annual	48.5	44.7	31.6	80.3	88.9	83.3	71.2	95.2
1966								
I	49.6	42.3	35.5	80.3	84.0	82.3	69.7	89.9
II	48.6	41.0	34.8	80.3	84.0	83.0	69.7	91.7
III	46.8	40.4	33.0	79.1	84.0	83.1	69.6	92.4
IV	44.8	39.6	32.6	76.7	84.0	80.8	68.2	89.7
Annual	47.4	40.8	34.0	79.1	84.0	82.3	69.3	90.9
1967								
I	42.7	38.4	32.8	76.0	84.0	80.0	68.3	90.5

1/ New York "spot" prices for representative coffees--Columbian Manizales, Brazilian Santos No. 4 and Robusta Ambriz No. 2AA (Portuguese West Africa).

2/ Price per 6-ounce jar of instant coffee which is approximately equivalent to 1 pound of roasted coffee--6.35 ounce of instant equals 1 pound roasted.

Source: Wholesale New York green coffee "spot" prices from Pan American Coffee Bureau. Wholesale processed and retail coffee prices from Bureau of Labor Statistics, U.S. Department of Labor.

Coffee prices at all levels (except for green robusta) have declined since first quarter 1965 (table 9). Prices for both Columbian and Brazilian coffee--generally used in regular roasted coffee--have weakened further since fourth-quarter 1966, but prices for Robusta have firmed. Robusta coffee is largely used in instant coffee although some is used in blended regular coffees.

Wholesale roasted and instant coffee prices tend to be stable although the average price of wholesale roasted coffee (in 1-pound tins) has declined during the last 3 quarters. Retail coffee prices declined during 1965 and 1966. First-quarter 1967 prices were again lower for canned roasted coffee but slightly higher for bagged roasted coffee and instant coffee. Declining coffee consumption probably has been a factor in weakening prices. Restrictions on coffee imported into the United States under provisions of the International Coffee Agreement (ICA) appear to have limited the price declines. Indeed, green coffee prices have strengthened since the end of March and may increase further. However, operation of the ICA is expected to prevent any major price rise in light of adequate world stocks.

Tea

Domestic per capita consumption of tea for 1967 is expected to equal or exceed the 0.70 pound in 1966. Per capita tea consumption in 1966 was about 17 percent above 1961. Total U.S. tea consumption increased from 110 million pounds in 1961 to 133 million pounds in 1966. According to the A.C. Nielsen Report to the Tea Industry, instant teas--which represented over 8 percent of the market in 1961--now comprise about 26 percent of total U.S. retail tea sales. The share of this market supplied by tea bags declined from 59 to 54 percent during this period but loose or packaged tea dropped from 33 to 20 percent. The convenience of instant tea has been an important factor in its increased use, primarily in the form of iced tea.

New York wholesale black tea prices averaged 48.2 cents per pound in 1966, down about 5.0 cents from 1965. The first-quarter 1967 average price was 45.6 cents per pound, down from an average of 52.0 cents per pound in first-quarter 1965. U.S. average retail tea prices were 61.2 cents per package of 48 tea bags both in 1966 and 1965. The first-quarter 1967 price of 60.6 cents per package was about the same as a year ago.

Soft Drinks

U.S. consumption of soft drinks totaled over 7.0 billion quarts in 1966, a gain of about 7 percent over 1965. Consumption averaged 68.8 quarts (17.2 gallons) per capita. Per capita consumption of soft drinks is expected to increase again this year. The beverage industry used about 1.72 million tons of refined sugar (mostly in soft drinks) last year and accounted for about 18.3 percent of total sugar deliveries.

Retail prices of bottled fruit-flavored soft drinks in 1966 were up about 4 percent from a year ago, while retail prices of bottled cola-flavored soft drinks increased more than 5 percent.

FOREIGN AGRICULTURAL TRADE 1/

Nearly three-fourths of total imports of agricultural commodities consisted of food items in 1966, whereas only about 55 percent of the exports were food items (table 10). Imports of agricultural food commodities increased 13 percent in calendar year 1966; exports increased 9 percent. Nonfood agricultural imports rose 3 percent compared with a 12 percent increase in exports.

The dollar value of all commodities--including nonagricultural items--imported into the United States jumped nearly 20 percent in 1966 over 1965, while exports increased only 11 percent. Nevertheless, the value of all U.S. exports exceeded imports by $4.5 billion, down from $5.7 billion in 1965 and $7.5 billion in 1964.

Last year, agricultural commodities accounted for about a fourth of total merchandise exports and a fifth of imports. They contributed more than half of the favorable U.S. merchandise trade balance. Agricultural commodities have contributed a fifth or more to the annual favorable trade balance since 1960. In 1966, exports of agricultural and nonagricultural commodities each were up 11 percent over 1965. But, imports of agricultural commodities were not up as much (10 percent) as were imports of nonagricultural commodities (22 percent).

Value of Exports Larger in 1966

The value of total food exports increased 9 percent in 1966, led by a 13 percent gain for food products from crops. Exports of food commodities of animal origin declined 19 percent, but these products amounted to only about 10 percent of total food exports in 1966. Dairy products accounted for most of the drop in these exports, largely because of lower U.S. supplies and increased production abroad. The value of exports of wheat and flour--the major food item exported--increased 30 percent over 1965, partly because of higher prices. Exports of the remaining crop food products averaged 2 percent larger, with decreases for tree nuts, vegetable oils, and rice slightly more than counterbalanced by increases for vegetables and soybeans.

Food Imports Up Strongly In 1966

Complementary agricultural imports--items not produced commercially in the United States--increased 1 percent in 1966. Almost all of the increase in imports was for supplementary (competitive) items, up a sizable 17 percent. As a result, the proportion of complementary items in total agricultural imports was reduced from 45 percent in 1965 to 41 percent in 1966, the lowest since World War II.

Although imports of all major food items advanced, increases were much sharper for animal products than for crop products. Larger imports responded to much higher U.S. prices for livestock products in 1966, despite restrictions on imports of certain items. Even though imports of animal food products accounted for less than a fourth of total food imports, they accounted for half of the increase over 1965.

Part of the upsurge in value of imports of animal products in 1966 was due to higher prices, but quantities also were larger. The quantity of beef and veal imports was up 27 percent (product weight) over 1965; but because of price increases, the value was 46 percent higher. The quantity of pork (mostly canned ham) imported was up 14 percent; value was up 27 percent. However, because of a shift in products imported, cheese imports jumped 71 percent in terms of quantity but only 40 percent in terms of value. The total quantity of dairy products imported tripled (on a milk equivalent basis) between 1965 and 1966; the value jumped over 50 percent.

1/ By Stephen J. Hiemstra, H. M. Eklund, and M. R. Modena, Food Consumption Section, ERS.

Table 10.--Value of exports and imports for consumption, calendar years, 1965 and 1966 1/

Item	Exports			Imports		
	1965	1966 2/	Change	1965	1966 2/	Change
	Mil. dol.	Mil. dol.	Pct.	Mil. dol.	Mil. dol.	Pct.
Food:						
Animal products:						
Dairy products	196	126	-36	3/73	3/118	62
Beef and veal	23	18	-22	242	354	46
Pork	16	21	31	159	202	27
Poultry meat	58	52	-10	1	1	0
Lard and other fats	47	38	-19	---	---	---
Total 4/	420	342	-19	532	756	42
Crop products:						
Bananas	---	---	---	162	178	10
Other fruits	313	315	1	123	130	6
Tree nuts	43	38	-12	75	82	9
Vegetables and preparations	155	176	14	3/116	3/145	25
Vegetable oils	283	194	-31	46	53	15
Soybeans	650	760	17	---	---	---
Rice	244	230	-6	4	1	-75
Wheat and flour	1,183	1,535	30	2	3	50
Coffee	31	20	-35	1,064	1,080	2
Cocoa	3	3	0	139	140	1
Tea	1	---	---	57	57	0
Sugar and related products	7	6	-14	448	509	14
Wines and malt liquors	2	2	0	89	100	12
Total 4/	3,027	3,423	13	2,383	2,536	6
All food	3,447	3,765	9	2,915	3,292	13
Nonfood:						
Animal products:						
Live animals	35	36	3	117	118	1
Hides and skins	109	155	42	73	83	14
Wool	8	9	12	229	229	0
Inedible tallow	179	152	-15	---	---	---
Total 4/	367	384	5	480	500	4
Crop products:						
Cotton and linters	495	440	-11	23	24	4
Tobacco	383	482	26	130	127	-2
Inedible oils and oilseeds	37	48	30	128	134	5
Oil cake and meal	187	226	21	3	4	33
Corn	832	881	6	2	2	0
Other feed grains	302	459	52	12	11	-8
Rubber and allied gums	11	11	0	182	177	-3
Total 4/	2,414	2,737	13	691	701	1
All nonfood	2,781	3,121	12	1,171	1,201	3
All agricultural	6,229	6,885	11	4,087	4,492	10
Complementary imports	---	---	---	1,840	1,864	1
Supplementary imports	---	---	---	2,247	2,628	17
Nonagricultural	20,777	23,027	11	17,203	20,916	22
Total, all commodities	27,006	29,912	11	21,290	25,408	19

1/Compiled from Foreign Agricultural Trade of the United States, March and April 1967 issues. Food use of items such as oils, oilseeds, and grains is approximated. 2/ Preliminary. 3/ Estimated value of Junex and similar products is included with dairy products. 4/ Includes miscellaneous items in addition to those enumerated above.

Table 11.--Exports of U.S. farm commodities as percentage of total annual utilization 1/

Year	Food commodities	Nonfood commodities	Livestock products	Crop products	All agricultural commodities
	Percentage of food product use	Percentage of nonfood product use	Percentage of total livestock use	Percentage of total crop use	Percentage of total product use
1955	7.2	14.4	3.2	11.2	9.3
1960	10.2	23.7	2.5	17.7	13.8
1961	10.6	21.2	2.7	17.1	13.6
1962	11.3	16.1	2.8	16.5	13.2
1963	12.2	18.0	3.7	17.6	14.2
1964	13.5	19.4	4.2	19.5	15.6
1965	12.8	16.3	3.0	18.7	14.3
1966 2/	13.6	16.1	2.4	19.2	15.1

1/ Based on supply-utilization data; see notes to table 4 for basic definitions. Includes shipments to U.S. Territories.
2/ Preliminary.

The quantity of imports of coffee--the most important (in terms of value) food imported--increased 3 percent in 1966, but value was up a little less because of lower average prices. The quantity of cocoa products imported declined; but with higher prices, the value of imports remained about the same. Both prices and quantity imported increased for bananas and sugar and related products.

The value of imports of nonfood agricultural commodities also increased in 1966, but not nearly as much as for food commodities. These nonfood imports consisted mostly of wool, rubber, inedible oils and oilseeds, tobacco, and live animals.

Higher Prices

Higher prices contributed to the increase in value of both imports and exports of agricultural commodities in 1966. The prices (unit values) of 12 leading U.S. export commodities averaged 4 percent above 1965; the prices of 9 leading U.S. import items averaged 2 percent higher. 2/ Export prices were higher for all items priced except for cotton and inedible tallow. Import prices averaged higher for all items other than coffee, wool, and tobacco. Export prices reached their high of the year in the fourth quarter. But, import prices were highest in the third quarter and declined noticeably in the fourth quarter along with a sharp drop in quantity of imports.

Importance of Foreign Trade

Exports of U.S. farm food commodities accounted for 14 percent of total annual net utilization in 1966, about double the 7 percent in 1955 (table 11). Crop products accounted for the increase. Exports of total crop products took 19 percent of gross crop utilization last year, up considerably from a decade earlier. Exports of livestock products--at only 2 percent of gross utilization of livestock products last year--have declined slightly since 1955, relative to utilization. Livestock product exports in 1966 were down noticeably from the 1964 level.

2/ Hirsch, Hans G., "U.S. Agricultural Export Prices Sharply Up During Fourth Quarter 1966," Foreign Agricultural Trade of the United States, April 1967, pp. 29-32.

About 12 percent of all the food consumed by U.S. civilians in 1966 was imported into the United States or shipped in from U.S. Territories (table 12). This was an increase of less than 1 percentage point from 1965 and not much different from the 13 percent in 1960 and 11 1/2 percent in 1955. Imports of crop products have continued much more important relative to food consumption than imports of livestock products. However, imports of livestock products have increased at a faster rate in recent years than have imports of crop products.

In 1966, around 30 percent of the total value (in terms of 1957-59 farm prices) of crops used for food was imported. This large percentage was weighted heavily by imports of coffee, sugar, bananas, and cocoa products. Many tree nuts, such as cashews and Brazil nuts; oils and oilseeds; and spices are not grown commercially in this country. As a result, around a fourth of the tree nuts and a sixth of the oils and oilseeds consumed by U.S. civilians were imported in 1966. Except for sugar, imports of crop products produced commercially in this country are small relative to consumption.

Imports of livestock products accounted for a little more than 3 percent of U.S. consumption of these foods in 1966. This compared with 2 1/2 percent in 1965 and less than 1 percent in 1955. Over 5 percent of the beef and veal consumed last year was supplied by imports. This amount was larger than in 1965 but smaller than the 8 percent in 1963. Three percent of the pork consumed last year came from foreign sources, up slightly from a year earlier. Only around 2 percent of the lamb used in the United States was imported in 1966 but much of the mutton came from overseas. Mutton accounted for most of the increase in these imports last year. Most of the beef and mutton imported was used in processed food products such as hamburger, frankfurters, and soups. Dairy product imports totaled 2.7 billion pounds in 1966 when measured in terms of milk equivalent. This amounted to 2.3 percent of production.

Production of domestic fishery products has remained relatively stable in recent years, but imports of fish for food have increased sharply. Nearly half of the fishery products consumed in the United States was imported in 1966. Shrimp is the most important fishery product imported, but tuna, groundfish, and lobster also are important. Imported products come mostly from Japan and Canada.

Table 12.--Proportions of U.S. food consumption supplied by imports, by product group, 1955 and 1960-66 1/

Group	1955	1960	1961	1962	1963	1964	1965	1966 2/
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Crops								
Coffee, tea, cocoa	100.0	100.0	100.0	99.8	99.7	99.8	99.8	99.8
Bananas	100.0	100.0	100.0	99.8	99.8	99.8	99.6	99.6
Other fruit	6.0	6.3	7.9	2.1	2.7	3.3	2.5	2.4
Oils and oilseeds, total	18.9	12.8	14.6	16.6	13.0	13.6	13.3	14.4
Domestic crops 3/	4.6	.4	.6	.5	.3	.2	.2	.3
Sugar and sirups 4/	69.2	66.0	63.8	53.3	50.2	41.8	45.8	47.6
Treenuts, total	33.9	30.3	24.6	24.6	24.0	21.8	24.5	26.3
Domestic crops 5/	10.4	7.0	4.9	2.8	3.2	2.8	3.2	3.4
Vegetables	1.1	1.7	1.7	1.7	1.5	1.7	1.8	1.9
Food grains	.8	.7	.6	.6	.6	.5	.2	.2
Feed grains	.2	.1	.1	.1	.1	.1	6/	6/
All crops	33.6	34.3	34.7	32.5	31.5	30.6	30.2	30.5
Livestock products								
Beef and veal	1.4	4.4	5.7	7.7	8.4	5.0	4.3	5.3
Pork and lard	1.5	1.5	1.5	1.7	1.7	2.0	2.7	3.1
Lamb and mutton	.3	9.7	9.3	14.7	15.6	9.7	9.9	16.5
Other 7/	.2	.3	.3	.3	.3	.3	.3	1.0
All livestock products	.8	2.0	2.5	3.3	3.6	2.5	2.4	3.2
Fishery products 8/	30.9	39.0	40.6	43.3	42.7	44.1	44.2	47.4
All food	11.5	12.8	13.3	13.2	13.0	11.8	11.7	12.4

1/ Imports for civilian food use divided by total civilian food use. Quantities of food products are weighted using 1957-59 U.S. average farm and wharf prices, except dockside prices used for nondomestic products. Use of imported items assumed proportional to domestic use. Imports are on a 50-State basis beginning 1962. Includes major inshipments from U.S. Territories, including inshipments from Alaska and Hawaii prior to 1962. Data for 1956-59 were published in National Food Situation, NFS-116, May 1966. 2/ Preliminary. 3/ Total of peanuts, cottonseed, and soybeans. 4/ Includes inshipments of sugar from Hawaii prior to 1962 (12.4 percent of sugar consumption in 1955 and 10.9 percent in 1961) and from other Territories (12.8 percent in 1955 and 7.5 percent in 1966). Proportion imported from foreign sources declined from 44 to 39 percent from 1955 to 1966. 5/ Total of almonds, filberts, walnuts, and peacans. 6/ Less than 0.05 percent. 7/ Includes dairy products, poultry, eggs, and honey. 8/ Excludes canned fishery products from Alaska, Hawaii, American Samoa, and Puerto Rico and cured products from Alaska.

FORECASTING THE QUARTERLY RETAIL FOOD PRICE INDEX

The purpose of this article is to explore some simple forecasting relations that are useful in making quarterly forecasts of the food component of the Consumer Price Index (CPI). Forecasts of average retail food prices are important to consumers, marketing agencies, workers, producers, and public and private policy making groups. Food is the second most important major component of the CPI. It has a relative importance of 22.4 percent in the index, exceeded only by housing (including furnishings and operation) with an importance of 33.2 percent. The Consumer Price Index is a primary guide for measuring and evaluating price changes in the United States. In many cases, labor contracts include an automatic wage adjustment clause attached directly to changes in the CPI.

Quarterly price relationships between farm and retail prices, based on data for 1950 through 1965, were estimated by regression techniques. In this analysis, retail price changes are assumed to be related to (1) farm price changes during the same quarter and earlier quarters and (2) changes in farm-retail marketing spread.

Some of the problems in this method of forecasting are: (1) Determining the appropriate lag relationships between aggregate farm and retail food prices, (2) estimating changes in marketing charges, and (3) reducing aggregation errors in the data.

One data problem is the lack of comparable measures of aggregate farm food and retail food prices. The Index of Prices Received by Farmers for All Commodities includes U.S. farm produced food as well as nonfood farm products such as tobacco, cotton, and wool, as well as feed grains and oilseeds which are used in part for food. The retail food price index includes only food items, but in includes fishery products and food imports such as bananas, cocoa products, tea, and coffee in addition to U.S. farm produced foods. Other variations between these price indexes arise from sampling and measurement differences. For this analysis, the farm price index was disaggregated to exclude nonfood commodities. 2/

The derivation of systematic lag relationships between farm and retail prices involved preliminary graphic analysis and computer trial runs to discover systematic relations between the two series. This analysis revealed that the farm to retail price lags were not the same for livestock and crop food products. Thus, the statistical estimate of the relationship was improved by separating the farm price index into two major components--all livestock food products and all crop food products.

In the statistical analysis, implied changes in marketing margins were assumed to be influenced by: (1) The volume of food commodities moving through the system, (2) increases over time in factor costs such as wages, and (3) upward shifts in the demand for marketing services. In addition, some systematic seasonal variation in marketing spreads arise, partly because of seasonal changes in transportation costs associated with regional shifts in sources of food over the year.

1/ By J. L. Matthews, Agricultural Economist, Food Consumption Section, ERS.

2/ Although feed grains and oilseeds include some food, these products were excluded in the computed farm price indexes for food commodities used in this study in addition to the exclusion of tobacco, cotton and wool.

The most promising equations of the farm-to-retail food price relationship were based on use of the following variables:

1) P_{rt} = Consumer Price Index For All Food in quarter t (1957-59=100).

2) $P'_{rt} = P_{rt} - 0.6645\ P_{rt-1}$ 3/

3) P_{fct} = Index of Prices Received by Farmers For All Crop Foods in quarter t (1957-59=100).

4) $P'_{fct} = P_{fct} - 0.6645P_{fct-1}$

5) P_{flt} = Index of Prices Received by Farmers For All Livestock Food Products in quarter t (1957-59=100).

6) $P^*_{flt} = 0.20P_{flt} + 0.60P_{flt-1} + 0.20P_{flt-2}$

7) $P^{*'}_{flt} = P_{flt} - 0.6645P^*_{flt-1}$

8) S_{lt} = Per capita supplies of meat in pounds in quarter t.

9) $S'_{lt} = S_{lt} - 0.6645S_{lt-1}$

10) I_t = Index of per capita disposable personal income in quarter t, seasonally adjusted.

11) $I'_t = I_t - 0.6645I_{t-1}$

The following relations were obtained: 4/

First quarter:

$$P'_{rt} = -21.726 + \underset{(6.09)}{0.134}\ P'_{fct} + \underset{(5.89)}{0.147}\ P^{*'}_{flt} - \underset{(4.07)}{24.174}\ \log S'_{lt} + \underset{(18.85)}{86.743}\ \log I'_t$$

3/ 0.6645 is the best linear unbiased estimate of b for the relation $u_t = bu_{t-1}$ where u_t and u_{t-1} are the observed residuals from the original ordinary-least-squares regression fit of the quarterly price relations. The use of autoregressive least squares is suggested when b is significantly different from zero. A usual statistical test applied in ordinary-least-squares regression to test the significance of b is the Durbin-Watson test for serial correlation. For the autoregressive adjustments, data for each of the variables were corrected for the serial correlation bias, as shown by definitions 2, 4, 7, 9, and 11. Ordinary-least-squares regression was then reapplied to the transformed variables.

4/ The method of estimation used in fitting the farm-retail food price relationship was autoregressive least-squares, which is a generalization of the ordinary-least-squares regression technique. For a discussion of this technique, see Ladd, George W., Experiments with Autoregressive Error Estimation, Iowa State University, Res. Bul. 533, Feb. 1965, pp. 331-335.

Second quarter:

$$P'_{rt} = -21.372 + \underset{(6.09)}{0.134}\, P'_{fct} + \underset{(5.89)}{0.147}\, P^{*'}_{flt} - \underset{(4.07)}{24.174}\, \log S'_{lt} + \underset{(18.85)}{86.743}\, \log I'_{t}$$

Third quarter:

$$P'_{rt} = -19.680 + \underset{(6.09)}{0.134}\, P'_{fct} + \underset{(5.89)}{0.147}\, P^{*'}_{flt} - \underset{(4.07)}{24.174}\, \log S'_{lt} + \underset{(18.85)}{86.743}\, \log I'_{t}$$

Fourth quarter: 5/

$$P'_{rt} = -20.859 + \underset{(6.09)}{0.134}\, P'_{fct} + \underset{(5.89)}{0.147}\, P^{*'}_{flt} - \underset{(4.07)}{24.174}\, \log S'_{lt} + \underset{(18.85)}{86.743}\, \log I'_{t}$$

("t" ratios for the variables are given in parentheses)

Estimated and reported quarterly values of the retail food price index over the 1954 to 1965 period, based on the above relations, are shown in figure 9. The coefficient of determination (R^2) for the previous set of equations was modified to allow for the autoregressive adjustment. It indicated that 98.7 percent of the total variation in retail food prices was systematically associated with changes in the specified set of independent variables. Some additional seasonal shifts not explained by this set of explanatory variables are reflected in the constant terms of the quarterly price relations.

The meat supply variable was used in the statistical price relation to account for part of the change in marketing costs. Meat supplies were used in lieu of total per capita supplies of all food products for which quarterly data are not available. The reason for using this variable was that marketing costs are likely to change with total volume of food supplies. The negative sign associated with the supply variable suggests that marketing costs (excluding profits) per unit increase as total volume declines. This result seems reasonable because per unit fixed costs and, in some cases, variable costs drop rapidly as supply increases. 6/

Income in these statistical models reflect the effects of longer term changes in the marketing margin arising from increasing factor costs, demand shifts for marketing services, and shifts in purchases to more highly processed foods. Thus, the income variable represents a number of separate underlying influences that cannot be readily isolated. Should these influences continue to be correlated with income changes in the

5/ Note that all equations are the same except for the constant terms. Seasonal shifts in constant terms for each of the quarterly price relations were obtained statistically by including seasonal dummy shift variables into the single equation fitted to combined data for all quarters.

6/ This implication is consistent with other marketing cost studies. See Gale, Hazen, Seasonal Variation in Farm Food Prices and Price Spreads, USDA Misc. Pub. No. 840, January 1961.

near future in the same way as over the 1950 to 1965 period, known or forecasted changes in per capita income values can be used in forecasting aggregate retail food prices. On the average, the elasticity of retail price with respect to income over the 1950 to 1965 period was .380, which implies that a 10 percent increase in per capita income was associated with a 4 percent increase in retail food prices, all other variables constant. 7/

From a predictive or forecasting point of view, the lagged farm price values that were the best among the several alternatives considered were: (1) Current quarter values of the index of prices received by farmers for all crop foods, and (2) current quarter, previous quarter, and two previous quarters for values of the index of prices received by farmers for all livestock food products. In the case of livestock price changes at the farm level, prior quarter changes had the largest impact while the current quarter and two quarters previous had about the same influence on retail food prices. If weights of 0.2, 0.6, and 0.2 respectively are assigned to livestock price changes at farm in each of these quarters, the data fit is improved. Some prior quarter farm price changes for crops were introduced, but these did not improve the model.

The use of current quarter reported values of farm prices in the forecasting relation imposes some limitations on its use for predicting retail changes. However, farm prices are reported nearly a month in advance of the release of the Consumer Price Index. Also, independent estimates of near-term farm prices often are available. Use of these models permits developing consistent forecasts of retail prices.

Forecasts of the quarterly retail food price index from the first quarter of 1966 through third quarter 1967 are shown in table 13. Actual reported indexes available through the first quarter 1967 are also shown to indicate the degree of forecasting accuracy achieved. Factors which have the greatest bearing on the accuracy of the forecasts are: (1) Reliability of the information on farm price changes for livestock and crop food products, (2) reliability of the indicated levels of per capita consumer disposable income and per capita meat supplies, (3) the assumptions that the farm-to-retail price relationship does not change over time, and that disturbances are random in the reported retail food price index.

Table 13.--Forecasted vs. reported values of the retail food price index, quarterly, 1966 I through 1967 III

Item	First quarter	Second quarter	Third quarter	Fourth quarter
1966				
Reported	112.8	113.8	115.2	115.1
Forecast	112.1	113.7	115.5	114.5
1967				
Reported	114.4			
Forecast	113.8	113.8	114.8	

7/ The general formula for computing the elasticity for a semi-log relation is:

i) $E_{p/Z} = \frac{dP_{rt}}{dZ_{it}} \times \frac{\bar{Z}_{it}}{\bar{P}_{rt}}$ Where Z_{it} represents any independent variable, $\bar{Z}_{it}$ represents the mean value of the variable, and d is the symbol for differentiation.

ii) $\frac{dP_{rt}}{dZ_{it}} = (b_i)(0.43429)/\bar{Z}_{it}$ Where b_i is the coefficient of the independent variable and 0.43429 is $\log_{10}e$. This latter transformation simplifies the differentiation of a semi-logarithmic function.

iii) $E_{p/Z} = (b_i)(0.43429)/\bar{P}_{rt}$

In formulating the price forecasts for the second and third quarters of 1967 shown in table 13, forecasted levels of per capita income and per capita meat supplies were used. Independent estimates of crop and livestock farm food prices also were required. However, most of the farm livestock price information needed for the second quarter estimate had been reported since lagged prices were used.

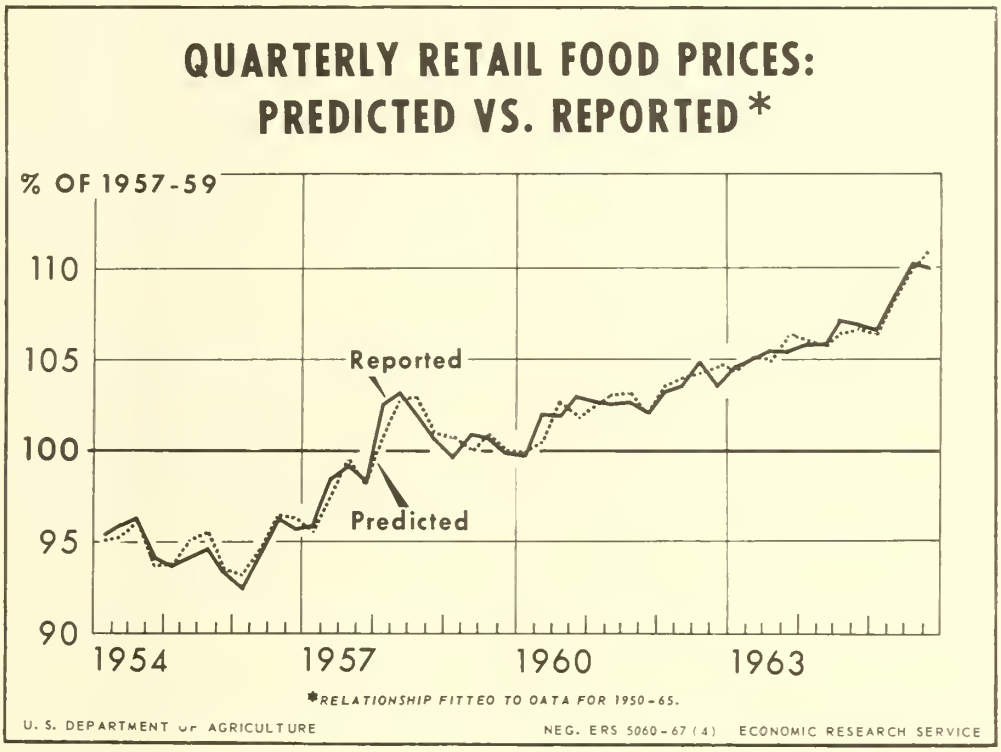


Figure 9

The National Food Situation is published in February, May, August, and November.

The next issue is scheduled for release August 1967.

Table 14.--Retail price indexes and Consumer Price Index, selected periods (1957-59=100)

Year and month	Food at home																	
	Meats			Poultry 2/	Fish	Eggs	Dairy products 3/	Fats and oils 4/	Fruits and vegetables			Cereal and bakery products	Sugar and sweets	Beverages	Total	Food away from home	All food	Consumer Price Index
	Beef and veal	Pork	Total 1/						Fresh	Processed	Total							
1935-39	36.5	43.2	37.8	68.7	28.9	60.3	45.9	65.4	37.3	50.2	39.6	45.6	48.3	27.5	42.6	5/	41.9	48.7
1947-49	86.8	92.8	86.7	132.5	86.4	122.7	88.3	117.9	78.4	88.6	80.9	75.5	85.4	56.1	86.1	5/	84.7	81.5
1950	97.0	87.8	91.4	126.1	89.0	104.7	84.7	94.2	76.6	81.7	79.0	78.8	86.9	85.9	87.1	5/	85.8	83.8
1951	113.3	93.1	103.6	132.1	101.6	127.4	94.5	110.3	83.1	92.4	86.3	86.0	90.1	94.7	96.9	5/	95.4	90.5
1952	112.4	92.1	102.6	132.6	99.0	116.3	98.5	93.5	96.6	91.0	94.8	88.1	90.9	95.3	98.6	5/	97.1	92.5
1953	88.6	102.5	95.8	129.3	95.3	123.2	96.8	93.9	91.1	93.2	91.8	89.8	91.9	97.9	96.8	89.3	95.6	93.2
1954	85.3	105.7	95.3	116.7	95.8	103.1	93.7	98.9	89.3	92.6	90.5	91.9	93.8	116.3	96.3	90.9	95.4	93.6
1955	84.4	91.0	87.7	121.5	93.9	106.5	93.6	95.9	91.0	93.4	91.8	93.4	95.8	104.2	94.4	91.8	94.0	93.3
1956	83.1	86.4	84.8	106.5	93.8	105.9	96.0	98.0	96.3	96.3	96.3	94.7	93.6	108.9	94.8	93.6	94.7	94.7
1957	89.2	99.5	94.2	103.8	95.0	100.9	98.8	102.4	97.0	94.2	96.0	98.4	96.3	108.1	97.9	97.1	97.8	98.0
1958	103.8	106.1	104.9	102.6	101.6	106.1	100.3	101.2	104.0	100.8	102.8	100.4	100.7	100.5	102.2	100.0	101.9	100.7
1959	106.9	94.4	101.0	93.5	103.4	92.9	101.0	96.5	99.1	105.0	101.2	101.2	102.9	91.3	99.7	102.8	100.3	101.5
1960	104.2	93.8	99.2	95.0	103.5	100.1	103.2	92.1	105.2	101.4	103.8	103.2	103.4	90.7	100.6	105.5	101.4	103.1
1961	102.5	98.2	100.5	85.8	105.8	100.1	104.8	98.6	103.5	105.6	104.2	105.4	101.4	90.7	101.5	107.8	102.6	104.2
1962	106.2	99.1	102.5	90.7	110.2	94.6	104.1	98.5	106.3	102.6	105.0	107.6	101.4	89.3	102.2	110.7	103.6	105.4
1963	105.0	96.6	100.9	89.3	110.0	96.0	103.8	95.7	112.6	108.3	111.0	109.1	110.1	90.4	103.5	113.2	105.1	106.7
1964 6/	101.9	96.1	99.4	87.3	107.4	95.0	104.7	95.4	119.2	110.8	115.3	109.6	115.5	101.4	104.7	115.2	106.4	108.1
1965	106.8	109.4	106.9	90.0	110.6	92.8	105.0	102.9	121.7	107.3	115.2	111.2	113.5	100.6	107.2	117.8	108.8	109.9
1966	112.4	125.1	116.8	94.9	117.8	105.7	111.8	107.2	123.9	109.9	117.6	115.8	111.3	100.0	112.6	123.2	114.2	113.1
Jan.	109.4	130.9	116.6	90.2	112.0	105.0	106.6	103.4	112.5	110.3	111.3	113.0	111.0	99.2	109.8	120.4	111.4	111.0
Feb.	111.4	133.2	118.8	97.5	113.1	109.1	107.0	103.9	121.5	110.6	116.5	113.2	110.6	99.2	111.8	120.8	113.1	111.6
Mar.	113.9	131.7	119.8	99.2	114.7	108.5	108.1	105.4	122.8	110.8	117.4	113.6	110.8	99.3	112.6	121.2	113.9	112.0
Apr.	115.1	124.6	118.1	98.8	116.1	105.9	108.9	106.2	127.1	111.0	119.8	114.1	110.8	99.8	112.7	121.6	114.0	112.5
May	113.3	121.6	116.3	95.9	118.2	98.8	109.3	107.1	126.3	110.6	119.2	114.3	111.0	100.2	112.0	122.2	113.5	112.6
June	112.8	123.9	116.6	96.3	118.0	89.1	109.6	106.9	131.1	110.1	121.7	114.7	110.6	100.8	112.3	122.8	113.9	112.9
July	112.2	125.0	116.6	97.1	118.5	93.9	111.0	106.9	131.2	109.6	121.5	114.8	110.7	100.8	112.7	123.5	114.3	113.3
Aug.	112.3	125.9	116.9	96.5	119.6	110.5	114.8	107.5	132.4	109.6	122.3	117.3	110.9	100.9	114.4	124.0	115.8	113.8
Sept.	112.7	126.4	117.2	95.9	120.3	111.8	116.0	108.6	122.5	109.4	116.6	118.4	111.3	100.6	114.0	124.6	115.6	114.1
Oct.	112.8	123.8	116.6	92.3	120.2	116.1	117.1	110.4	120.6	109.0	115.3	118.3	111.5	99.8	113.8	125.2	115.6	114.5
Nov.	111.4	119.1	114.5	89.8	121.1	107.9	116.7	110.2	120.0	108.8	114.9	118.6	112.7	99.5	112.8	125.7	114.8	114.6
Dec.	111.9	114.9	113.4	89.2	121.9	111.9	116.5	110.3	118.9	109.0	114.3	118.8	113.3	99.7	112.6	126.3	114.8	114.7
1967																		
Jan.	110.9	114.9	112.8	87.4	123.1	106.6	116.4	110.1	120.7	108.9	115.3	118.8	113.4	99.6	112.3	127.0	114.7	114.7
Feb.	111.8	113.6	112.9	90.5	122.1	91.4	116.1	109.6	119.4	107.9	114.2	118.5	113.5	99.8	111.7	127.4	114.2	114.8
Mar.	111.4	112.1	112.0	89.9	122.6	92.6	115.7	108.9	121.5	107.5	115.2	118.6	113.3	99.0	111.5	127.7	114.2	115.0
Apr.																		
May																		
June																		
	Seasonally adjusted 7/																	
1966																		
Jan.	108.5	132.8	116.8	90.3	111.6	101.1	105.9	---	116.7	---	113.9	---	---	---	110.0	---	111.6	---
Feb.	110.7	135.4	119.4	97.8	112.4	106.4	106.7	---	123.4	---	117.7	---	---	---	111.8	---	113.1	---
Mar.	114.1	135.4	121.3	100.0	114.7	111.4	108.0	---	122.9	---	117.4	---	---	---	112.9	---	114.2	---
Apr.	116.0	128.9	119.9	100.9	116.0	109.9	109.4	---	123.8	---	117.7	---	---	---	113.2	---	114.3	---
May	114.7	125.2	118.7	98.7	118.1	109.2	110.2	---	120.1	---	115.3	---	---	---	112.6	---	114.0	---
June	115.2	126.2	118.7	96.3	118.1	100.9	110.7	---	121.4	---	115.8	---	---	---	112.4	---	114.0	---
July	113.3	122.3	116.3	97.2	118.7	101.6	111.6	---	118.4	---	113.9	---	---	---	111.3	---	113.2	---
Aug.	112.0	120.7	114.9	98.0	120.0	113.4	114.9	---	131.0	---	121.4	---	---	---	113.9	---	115.5	---
Sept.	111.6	120.3	114.5	96.5	120.9	101.9	115.8	---	129.2	---	121.0	---	---	---	113.7	---	115.3	---
Oct.	111.7	120.5	114.5	93.0	120.7	105.2	116.4	---	129.0	---	120.4	---	---	---	113.8	---	115.6	---
Nov.	110.3	118.7	113.8	89.1	121.1	101.3	116.0	---	127.8	---	119.6	---	---	---	113.3	---	115.1	---
Dec.	111.0	116.3	113.4	89.4	121.9	106.6	115.7	---	124.2	---	117.5	---	---	---	112.9	---	115.0	---
1967																		
Jan.	110.6	115.1	112.7	86.9	122.6	103.4	115.8	---	126.4	---	118.5	---	---	---	112.5	---	114.9	---
Feb.	111.5	114.3	112.8	88.5	121.4	88.8	115.9	---	120.0	---	114.4	---	---	---	111.4	---	114.0	---
Mar.	111.4	113.8	112.8	88.1	122.7	93.3	115.6	---	120.9	---	114.7	---	---	---	111.6	---	114.3	---
Apr.																		
May																		
June																		

1/ Beef, veal, lamb and mutton, pork, and processed meat. 2/ Unadjusted index includes turkey beginning 1964; seasonally adjusted indexes are for frying chicken only. 3/ Includes butter. 4/ Excludes butter. After December 1963 computed by Economic Research Service using data for items additional to those in the CPI. 5/ Data not collected prior to 1953. 6/ Revised beginning January 1964; for first time item selection and quantity weights reflect the buying pattern of one-person families. 7/ Discussed in "Seasonally Adjusted Retail Food Price Indexes," by Stephen J. Hiemstra. National Food Situation, NFS-117, August 1966 (Reprinted as ERS-311.)

Bureau of Labor Statistics.

LIST OF TABLES

Table	Title	Page
1	Volume of farm marketings and home consumption	2
2	Food consumption per capita	2
3	Consumer, wholesale and farm price indexes (1957-59=100)	7
4	Farm food commodities: Supply-utilization indexes by component and relationship of components to total annual net utilization, 1957 to date	10
5	Livestock products: Per capita civilian consumption, by quarters, 1955-67	13
6	Civilian per capita consumption of major food commodities, average 1957-59, annual 1960-66	14
7	Production of major food commodities, average 1957-59, annual 1960-66	15
8	USDA domestic donations of commodities to schools, institutions, and needy persons, 1960-66	22
9	Wholesale and retail coffee prices, by quarters, 1965 I through 1967 I	26
10	Value of exports and imports for consumption, calendar years, 1965 and 1966	29
11	Exports of U.S. farm commodities as percentage of total annual utilization	30
12	Proportions of U.S. food consumption supplied by imports, by product group, 1955 and 1960-66	32
13	Forecasted vs. reported values of the retail food price index, quarterly, 1966 I through 1967 III	36
14	Retail food price indexes and Consumer Price Index, selected periods	38

LIST OF CHARTS

Figure		Page
	Per capita food consumption	Cover
1	Food and farm product prices	6
2	Sources of U.S. food	11
3	Uses of U.S. food products	11
4	Per capita consumption: Meat and total livestock products	16
5	Per capita consumption: Poultry and eggs	16
6	Per capita consumption: Dairy products and animal fat	17
7	Food consumption per capita	19
8	Sugar prices	24
9	Quarterly retail food prices: Predicted vs. reported	37

U.S. Department of Agriculture
Washington, D.C. 20250

OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U.S. Department of Agriculture

NOTICE

If you no longer need this publication, check here ☐ return this sheet, and your name will be dropped from the mailing list.

If your address should be changed, write the new address on this sheet and return the whole sheet to:

Division of Administrative Services (ML)
Office of Management Services
U.S. Department of Agriculture
Washington, D.C. 20250

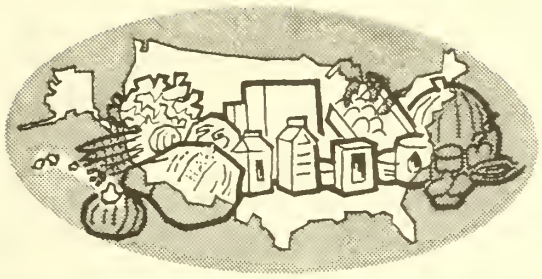
NFS-120 - The National Food Situation

J. M. Gwin
9-28-64 72 Frederick Lane
FNS-12 St. Louis, Mo. 63122

* U.S. GOVERNMENT PRINTING OFFICE: 1967 251-759 (ERS-192)

1.941
S2F73

NATIONAL FOOD SITUATION

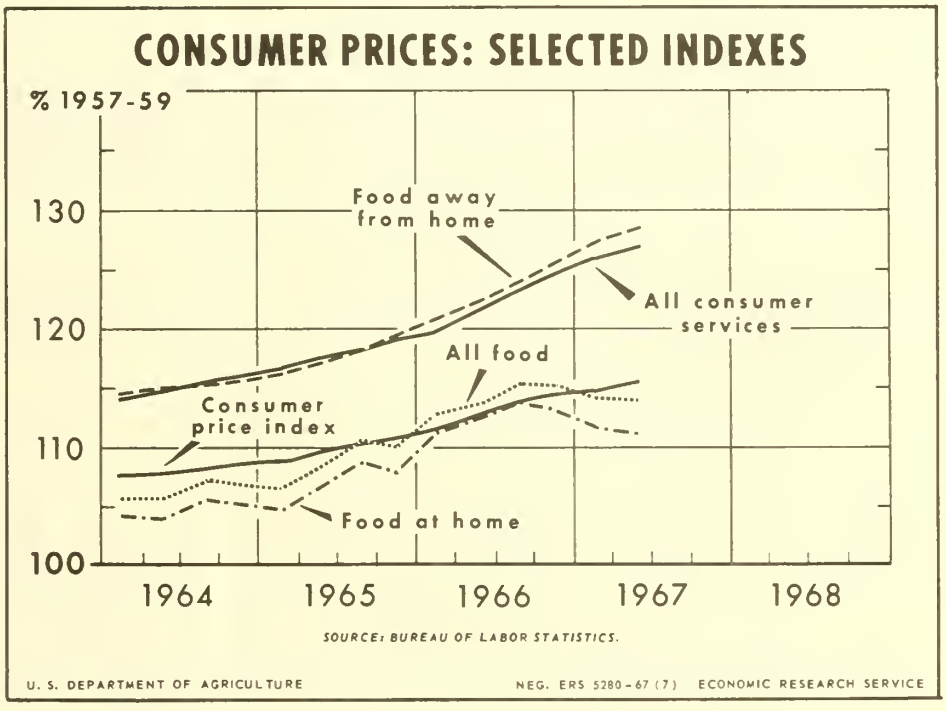


NFS-121

For A.M. Release, August 15, 1967

Retail food prices in second-quarter 1967 declined fractionally from the first quarter and averaged 1 percent below the high point reached last summer. All of the decline was due to lower prices in food stores; prices for restaurant food continued to climb about in line with prices for all consumer services. Despite the price decline, retail food prices averaged 1 percent above a year earlier in first-half 1967.

Wholesale prices for food products in second-quarter 1967 also declined fractionally from the first quarter. However, wholesale price advances in recent months and an anticipated slowdown in food production rates suggest that retail prices may rise moderately during the summer--partly due to seasonal factors,



IN THIS ISSUE

FOOD PRICES

FOOD CONSUMPTION

FOOD EXPENDITURES

Published quarterly by
ECONOMIC RESEARCH SERVICE • U. S. DEPARTMENT OF AGRICULTURE

Table 1.--Volume of farm marketings and home consumption 1/

(Index numbers, 1957-59=100)

Item	1947-49 average	1960	1961	1962	1963	1964	1965	1966	1967 indications 2/	1967 as a percentage of 1947-49	1967 as a percentage of 1966
										Percent	Percent
Marketings and home consumption of all farm commodities	86	107	108	109	114	116	116	118	120	140	102
Food marketings and home consumption	87	104	107	107	111	113	115	117	120	138	103
Food marketings	82	105	109	109	113	116	118	120	123	150	102
Total food livestock 3/	79	104	108	110	114	118	118	121	122	154	101
Meat animals	81	105	108	110	116	121	121	124	124	153	100
Poultry and eggs	66	105	113	113	116	121	126	134	138	209	103
Dairy products	84	102	106	107	107	110	108	105	106	126	101
Total food crops 4/	98	108	110	107	110	110	116	118	127	130	108
Food grains 5/	102	117	114	102	111	109	120	122	135	132	111
Vegetables 6/	91	104	109	110	110	107	108	112	116	127	104
Fruit and nuts 7/	92	99	103	107	101	106	112	114	123	134	108
Sugar crops	78	105	115	117	152	155	144	140	145	186	104
Home consumption	161	87	81	75	73	66	60	55	52	32	95
Livestock	159	82	75	73	69	63	56	52	49	31	94
Crops	168	98	94	80	83	73	70	62	61	36	98
Nonfood marketings 8/	82	114	110	116	125	125	120	121	120	146	99

1/ Quantities of farm products weighted by average 1957-59 farm prices since 1955, 1947-49 prices in earlier years. Excludes Alaska and Hawaii. 2/ Indications for 1967 are based on calendar-year quantities estimated as of July 1, 1967. 3/ Includes honey. 4/ In addition to the crops listed below, includes peanuts, peppermint, popcorn, and spearmint. 5/ wheat, rye, rice, and buckwheat. 6/ Truck crops for fresh use and processing, potatoes, sweetpotatoes, dry edible beans, dry field peas, mung beans, and melons 1955 to date. 7/ Except peanuts and, beginning 1955, melons. 8/ There are no nonfood items in the home consumption index.

Table 2.--Food consumption per capita 1/*

(Index, 1957-59=100)

Selected years	Meat	Poultry	Fish	Eggs	Dairy, excluding butter	Fats and oils, including butter	Fruits 2/			Vegetables 3/			Potatoes and sweetpotatoes	Cereal products	Sugar and sweeteners	Coffee, tea, and cocoa	All food		
							Fresh	Processed	Total	Fresh	Processed	Total					Animal products	Crops 4/	Total
1910	96	49	107	82	70	101	148	14	80	114	24	85	208	149	54	65	87.2	87.0	86.9
1920	90	45	113	81	80	91	154	31	92	119	30	90	163	129	63	79	85.4	87.7	86.2
1930	85	52	97	89	83	113	145	35	89	126	47	100	138	131	85	81	86.3	95.7	89.9
1940	93	52	102	86	87	115	153	57	105	130	57	107	127	120	86	101	91.0	100.7	94.8
1941	94	56	108	84	90	116	161	53	107	129	61	107	134	121	94	104	92.3	103.6	96.7
1942	93	63	84	84	96	112	137	52	94	134	67	112	136	122	83	86	93.5	99.2	95.6
1943	98	78	75	92	96	97	122	45	84	139	61	114	137	135	77	81	96.2	98.7	97.0
1944	103	70	84	94	98	96	146	45	95	147	61	119	145	124	84	96	98.4	103.0	100.1
1945	97	76	94	107	104	91	144	57	101	150	74	126	129	130	69	100	99.4	104.0	101.0
1946	102	70	101	101	110	91	144	78	111	139	83	121	128	128	74	122	101.6	106.6	103.5
1947	102	64	96	104	104	97	149	67	108	127	76	111	126	115	94	108	100.0	103.8	101.4
1948	95	63	101	106	100	95	138	69	104	125	72	108	105	114	89	112	96.0	101.7	98.1
1949	95	67	102	105	99	98	135	73	104	118	75	104	109	113	91	115	96.1	101.5	98.1
1950	95	73	111	108	99	104	120	79	100	114	81	104	105	112	101	103	97.6	102.5	99.4
1951	90	77	106	109	99	94	125	78	102	111	84	103	105	115	94	105	95.8	100.8	97.6
1952	95	80	105	109	100	97	120	88	104	108	88	103	95	113	98	105	98.1	102.1	99.5
1953	102	79	103	106	99	98	113	90	102	106	91	102	100	110	97	107	100.0	101.6	100.5
1954	101	84	104	105	100	102	108	91	101	104	90	100	100	108	99	95	100.2	100.9	100.4
1955	106	79	97	104	101	103	102	98	100	104	96	102	101	102	100	96	101.7	100.4	101.1
1956	108	88	98	103	102	101	103	100	102	103	98	102	97	101	101	101	103.6	100.6	102.3
1957	102	94	97	102	101	99	101	103	102	102	98	101	98	99	98	100	100.6	99.6	100.2
1958	97	101	98	99	100	100	98	97	97	99	101	100	97	101	101	98	98.5	99.4	98.9
1959	101	105	105	99	100	101	101	100	101	98	101	99	105	100	101	102	100.9	101.0	101.0
1960 5/	102	102	102	94	99	99	98	104	101	100	102	100	109	99	102	101	99.9	101.6	100.7
1961	101	112	102	91	97	99	95	102	98	99	102	100	110	98	102	102	99.6	101.1	100.3
1962	102	110	102	91	97	99	90	106	98	96	107	99	114	97	103	104	99.9	101.1	100.4
1963	105	112	101	89	98	100	82	97	89	96	107	99	119	97	102	106	101.2	100.8	101.1
1964	108	115	99	88	98	103	88	92	90	95	109	99	122	99	103	103	102.8	101.4	102.2
1965	104	122	103	88	98	102	86	96	91	95	112	100	127	99	103	100	100.9	102.2	101.5
1966 6/	106	131	100	88	97	102	87	97	92	93	115	99	138	99	105	99	101.9	103.2	102.5
1967 7/	108	138	100	91	95	101	87	103	95	94	118	101	138	99	104	99	103.2	103.9	103.5

1/ Civilian consumption, beginning 1941. Individual food items are combined in terms of 1947-49 retail prices through 1954, 1957-59 retail prices thereafter; indexes are linked at 1955. 2/ Excluding melons and baby food. 3/ Excluding soups, baby food, dry beans and peas, potatoes, and sweetpotatoes. 4/ Including melons, dry beans and peas, nuts, soups, and baby food in addition to groups shown separately. 5/ 50-State basis beginning 1960. 6/ Preliminary. 7/ Preliminary indications.

* Changes resulting from 1964 Census of Agriculture are not incorporated prior to 1965.

NATIONAL FOOD SITUATION

Approved by the Outlook and Situation Board, August 7, 1967

CONTENTS

	Page		Page
Summary	3	Supply and use of Farm Food Commodities	25
Food Expenditures	4	List of Tables	32
Food Prices	7	List of Charts	32
Food Consumption	13		
Prices and Consumption by Commodity	17		

SUMMARY

Relatively small increases in sales by retail food stores resulted in a slowdown in the rate of increase in total food expenditures during second-quarter 1967. Food expenditures totaled $96 billion (seasonally adjusted annual rate), up 3 percent from a year earlier. Food expenditures dropped to slightly below 18 percent of disposable personal income in both the first and second quarters.

Food expenditures likely will increase during second-half 1967 and for the year may total some 3 or 4 percent above the year-earlier level of $93 billion. This increase would compare with an unusually large 8-percent increase in 1966. The population is growing about 1 percent in 1967, about the same as in 1966.

Retail food prices in second-quarter 1967 averaged 1 percent below record-high prices in third-quarter 1966. Food store prices averaged 2 percent lower, but prices for restaurant foods averaged 4 percent higher.

Retail food prices in third-quarter 1967 likely are rising in response to recent advances in wholesale food prices, expanding consumer demand, and a slowdown in livestock production rates. Higher prices in coming months are likely for most livestock products and for a few other foods, such as noncitrus fruits. Relatively low prices are in prospect for eggs, citrus fruits, coffee, potatoes, and fats and oils.

Despite some easing in retail food prices since last summer, prices averaged nearly 1 percent above a year earlier during first-half 1967. This rise compares with a 1-percent decline in wholesale prices for food products during the first half year. The increase at retail was due to higher prices for food away from home; prices for food at home averaged fractionally lower. For the year, retail food prices probably will average around 1 percent above the 1966 average, due mostly to higher prices for restaurant food.

Per capita food consumption in 1967 likely will total about 1 percent above a year earlier. Most of the increase in food consumption this year probably took place during the first-half year when food prices were declining. Per capita consumption of total livestock products was 3 percent above a year earlier during the first half, but little change from a year earlier is likely during the second-half year.

Sizable increases in consumption this year are likely for pork, poultry, eggs, rice, citrus fruits, frozen vegetables, and processed potato products.

Lower per capita consumption is indicated for veal, lamb, most dairy products, animal fats, noncitrus fruits, melons, and dry edible beans.

Total civilian food consumption this year is increasing at about the same overall rate as during 1966. Military procurement may not increase as much. Exports of food commodities during calender year 1967 are expected to be below a year earlier. However, indicated food production may rise well above 1966 levels--particularly for crops--and imports likely will hold about stable. As a result, end-of-year stocks of food commodities likely will exceed the relatively low levels at the close of 1966. If so, it will be the first noticeable increase in food stocks since 1960.

FOOD EXPENDITURES

Percentage of Income Spent for Food May Decline in 1967

Income gains may be larger in the second half of 1967 than in the first half, but further gains may be tempered by a prospective tax increase. They likely will much exceed the rates of increase in food expenditures. For the year, food expenditures likely will total $96 to $97 billion and account for fractionally less than 18 percent of disposable income (fig. 1). Food expenditures likely will average $485-490 per capita, up from $472 in 1966.

The increase in total food consumption is expected to account for half or more of the increase in food expenditures in 1967. Higher prices and increased purchases of relatively high-priced foods will account for the other half. Per capita food consumption and population each are expected to rise about 1 percent this year.

First-Half 1967 Expenditures Up 3½ Percent

Food expenditures in second-quarter 1967 totaled $96 billion, seasonally-adjusted annual rate--up only a half billion dollars from the first quarter (fig. 1). In the second quarter, they exceeded those a year earlier by 3 percent, compared with the first quarter's gain of 4 percent from a year earlier.

The percentage of income spent for food dropped to slightly below 18 percent during first-half 1967. Disposable personal income in second-quarter 1967 totaled an annual rate of $540 billion, up 7 percent from a year earlier. Disposable income increased $7½ billion from the first-quarter rate, down from an $11-billion gain in the previous quarter (annual rates). However, the second-quarter gain in disposable income exceeded the rise in personal income. Personal tax payments were lower as a result of larger income tax refunds. The relatively small increase in personal income was due to a reduced expansion in wages and salaries in the second quarter

Sales by retail food stores averaged only 1 percent above a year earlier during first-half 1967. On a seasonally-adjusted basis, sales by food stores have shown little change during the past 12 months (fig. 2). Sales by eating and drinking places averaged about 6 percent above a year earlier during the first half of 1967, mostly reflecting higher prices for food consumed away from home. On a seasonally adjusted basis, these sales have shown little month-to-month change since January.

Total Retail Sales Gaining

The slow growth of sales by retail food stores during the past 12 months coincided with lagging sales by all retail stores (fig. 3). Consumers moderated purchases and in first-quarter 1967 increased the savings rate to the highest level in several years. Additions

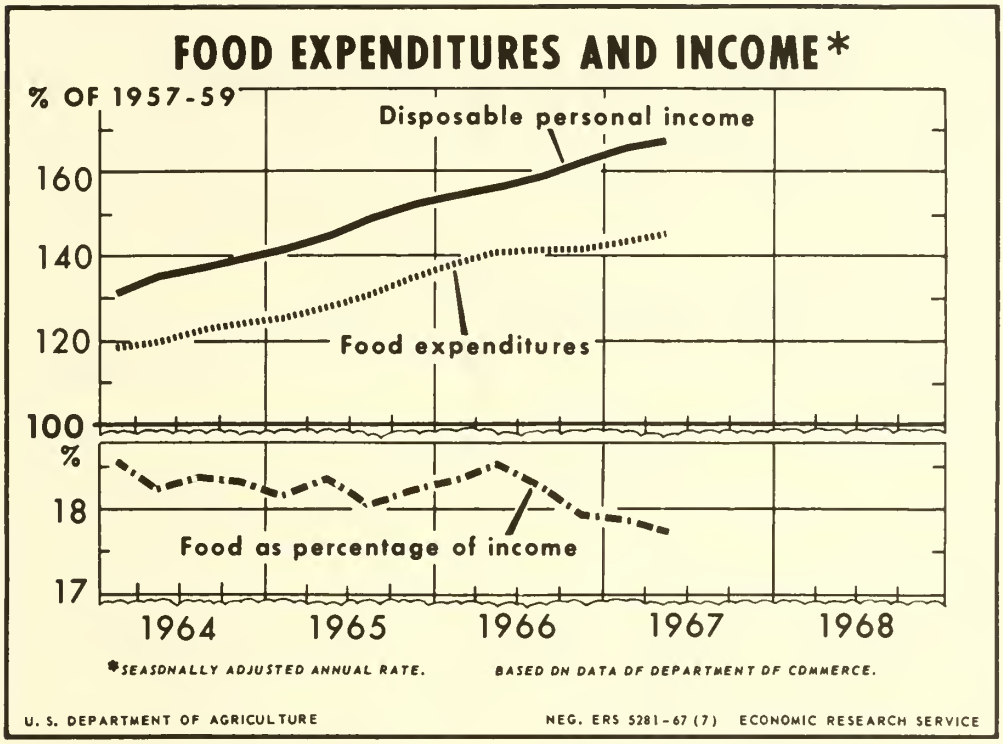


Figure 1

to installment credit moderated along with sales of durable goods. As a result, inventories rose relative to sales, and shipments from manufacturers slowed, both in the food and nonfood sectors of the economy. Among reasons advanced for the slowdown in consumer buying include rising prices for food and other consumer goods, expectations of higher taxes, and the general slowdown in business activity.

Total retail sales began to rise in the second quarter, bolstered by a resurgence in automobile demand. These sales were up 2 percent from the first quarter and 4 percent from the same quarter a year earlier. Second-quarter 1967 sales gains were stronger for durable goods stores--up 5 percent from a year earlier--than for nondurable goods stores.

Recent improvements in several leading business indicators portend a further pickup in retail sales in second-half 1967. Inventory-sales ratios in retail trade dropped in second-quarter 1967. End-of-May levels were below a year earlier, both in durable and nondurable stores. New orders advanced in May and June to the highest levels since January.

18.3 Percent Spent for Food in 1966

Food expenditures totaled $93 billion in 1966, according to revised estimates from the Department of Commerce. (Preliminary data had shown only $91 billion spent for food last year.) In addition, $14 billion was spent for alcoholic beverages. These data cover only personal consumption expenditures; they do not include approximately $4 to $5 billion of purchases of meals as a nonconsumer business expense.

The revised data show that food expenditures in 1966 were 8 percent above a year earlier. This increase was fractionally greater than the nearly 8 percent gain in disposable income. As a result, the percentage of income spent for food

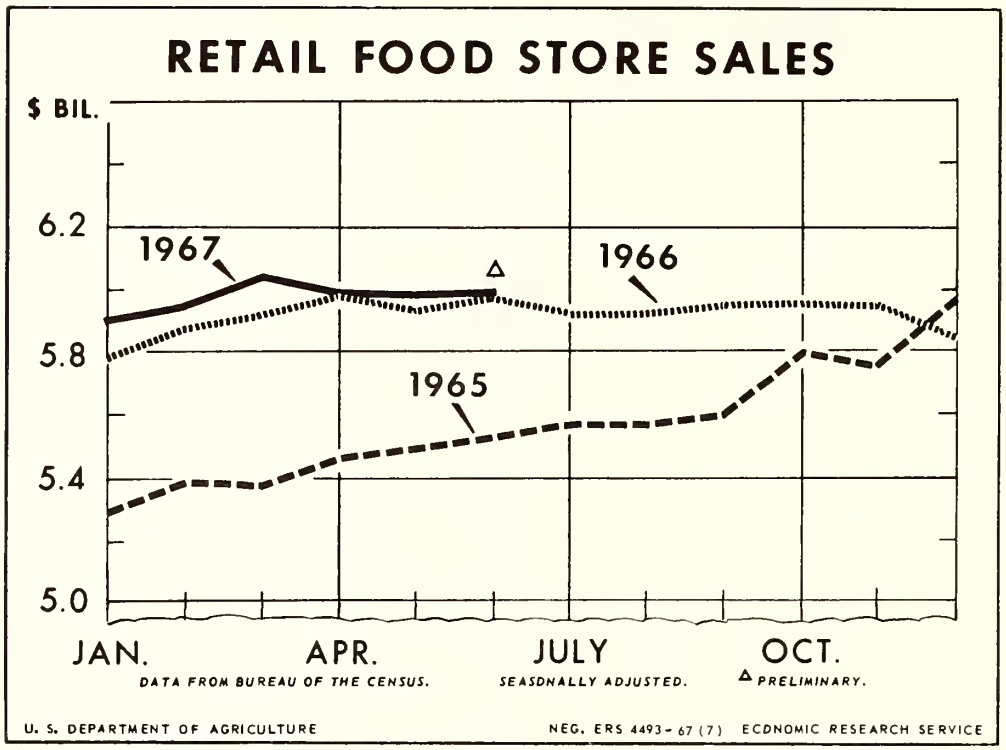


Figure 2

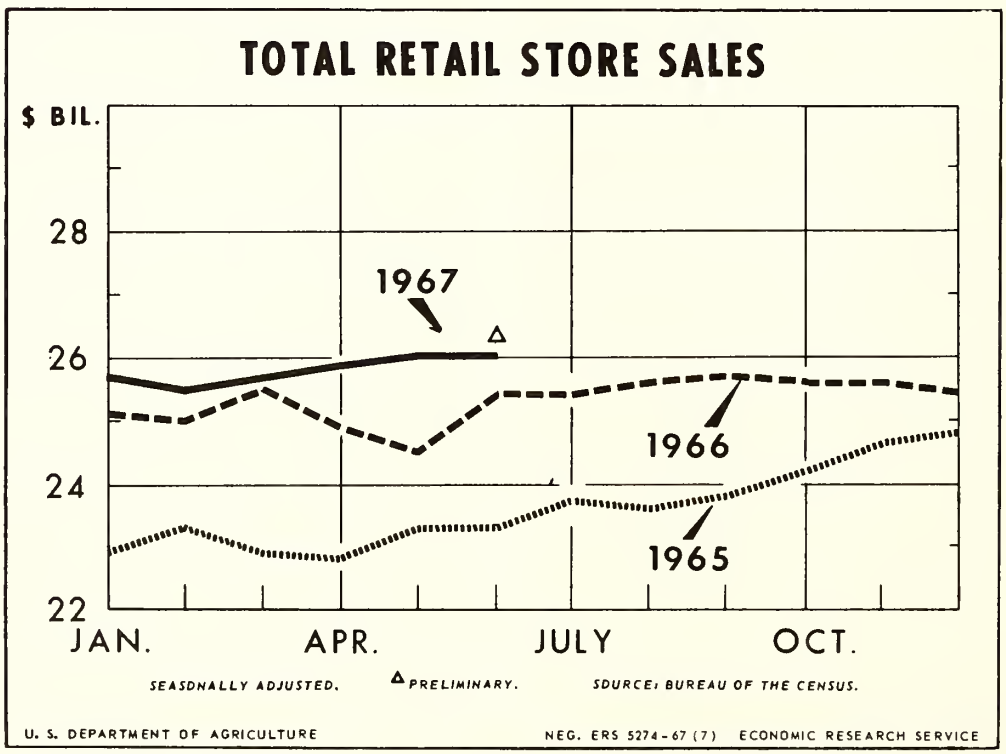


Figure 3

edged upward from 18.2 percent in 1965 to 18.3 percent in 1966. (Preliminary data had shown a fractional decline in this percentage.)

Approximately 1/5 of total food expenditures in 1966 represented away-from-home eating. This ratio has changed surprisingly little in recent years. In addition to dollar purchases, the personal consumption expenditure data in 1966 included an allowance of $1.7 billion of food furnished commercial or Government employees (including military) and $0.9 billion of food consumed on farms where produced.

FOOD PRICES

Moderately Rising Prices Indicated

Average retail food prices increased 1.1 percent between May and June (table 11, page 29); 4-percent higher prices for meats and 5-percent higher prices for fresh fruits and vegetables caused most of the price increase. Lower prices for poultry and eggs provided a partial offset. On a seasonally adjusted basis, average prices increased 0.7 percent.

Retail food prices usually rise seasonally to a summer peak in the third quarter and decline in late summer and fall as food marketings rise seasonally (fig. 4).1/ Wholesale food prices rose in May, June, and July (table 10 , page 28). Only part of these wholesale price increases appears to have been reflected at retail to date. A changing livestock supply situation coupled with expected strengthening in consumer demand likely will result in generally rising retail food prices in second-half 1967.

The increases in retail food prices now underway are partly seasonal and likely will be moderate. Prices for food-at-home in second-half 1967 are not expected to differ much from a year earlier when prices were record high. Prices for food away-from-home likely will continue upward, partly in response to rising costs of labor and other nonfood inputs. Prices for food away-from-home tend to increase continuously, much in line with prices for all consumer services (cover chart).

For the year, retail food prices likely will average somewhere around 1 percent higher than in 1966. 2/ But average prices for food purchased in grocery stores likely will be little changed from 1966. Most of the 1967 price increase likely will be due to higher prices for food away-from-home. 3/

1/ The seasonal increase is due mostly to fresh fruits and vegetables and meats--particularly pork. Prices for eggs and dairy products are seasonally low during the summer. See Hiemstra, S. J., "Seasonally Adjusted Retail Food Price Indexes," National Food Situation, NFS-117 (August 1966), pp. 30-36 (reprinted as ERS-311).

2/ A 1-percent average increase in retail food prices in 1967 would be consistent with expectations regarding per capita food consumption, per capita disposable income, and end-of-year stocks of food commodities, based on use of the following statistical model fitted to annual data for 1948-66:

$$X_1 = 3.9981 - \underset{(.4988)}{1.4274}\, X_2 + \underset{(.0507)}{0.5065}\, X_3 - \underset{(.0412)}{0.0772}\, X_4$$

$$R^2 = .952 \quad ; \text{ D.W.} = 1.14$$

Where X_1 = Log retail food price index (1957-59=100).
X_2 = Log per capita food consumption index (1957-59=100).
X_3 = Log per capita disposable personal income (1957-59=100).
X_4 = Log end-of-year stocks of food commodities (1956-58=100).

3/ Food away from home accounts for about 1/5 of the total food index. Consequently, a 5-percent increase in prices for food-away-home would increase total food prices by 1 percent.

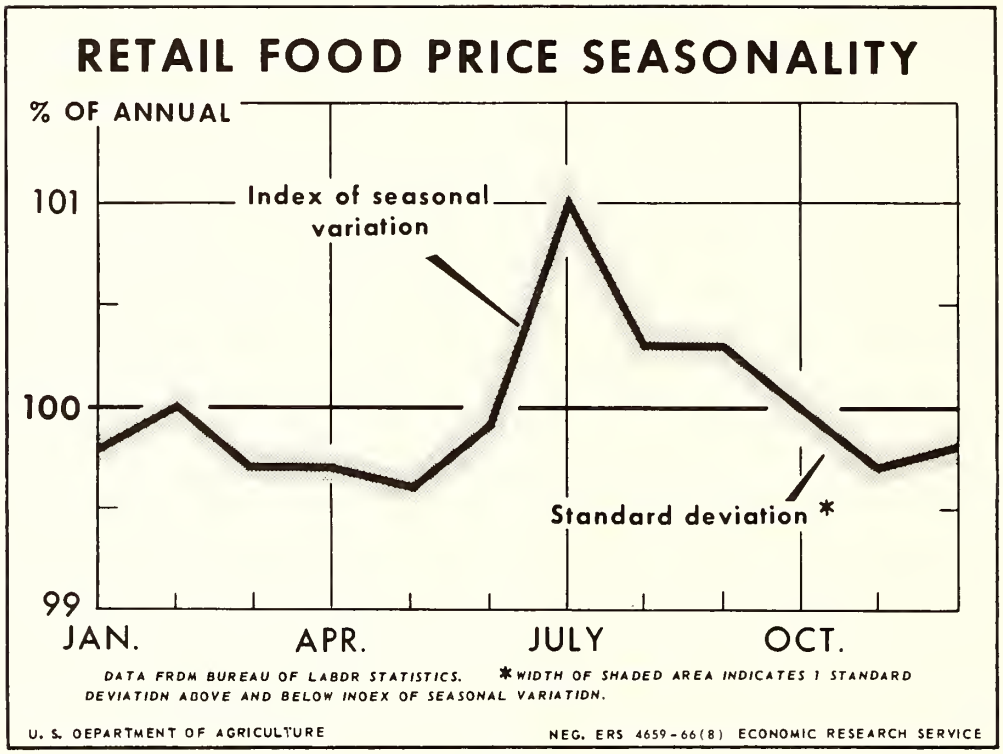


Figure 4

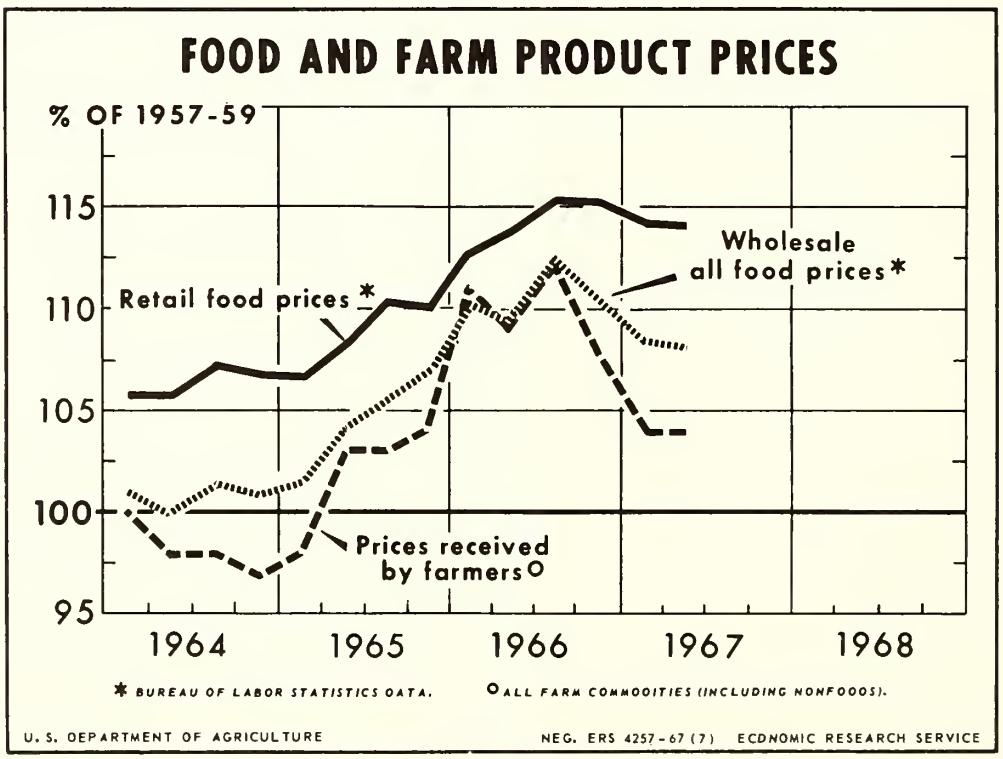


Figure 5

Some Up,
Some Down

Higher retail food prices in coming months are likely for most livestock products. Prices for crop products are expected to remain relatively stable although some increases are likely for products which undergo extensive processing. Compared with a year earlier, relatively low prices are in prospect for eggs, turkeys, citrus fruits, coffee, potatoes, and fats and oils.

Food Prices Down
in Second Quarter

Despite higher prices in June, second-quarter prices averaged fractionally below those in the first quarter, and 1 percent below the record high reached in third-quarter 1966 (cover chart and table 3). All of the decline in food prices was due to lower prices in food stores. Prices for food-at-home in second-quarter 1967 averaged 2 percent below third-quarter 1966, but prices for food away-from-home averaged 4 percent higher.

During first-half 1967, prices for food-at-home averaged fractionally below a year earlier; but prices for food away-from-home averaged more than 5 percent higher. On balance, food prices averaged nearly 1 percent above a year earlier during the first half year.

The decline in food prices since last summer followed a decline in prices received by farmers and wholesale prices of processed foods (fig. 5). Wholesale food prices in the second quarter averaged 4 percent below the third-quarter 1966 peak and prices received by farmers for food commodities averaged 10 percent lower.

CPI Up Strongly

Retail food prices dampened the increase in the Consumer Price Index during first-half 1967, although the CPI rose nearly 3 percent over a year earlier. The increase of less than 1 percent in food prices was much less than the 3.4-percent increase in prices for all items less food. Much of the increase in the nonfood component of the Consumer Price Index was due to higher prices for services--such as medical care and recreation--which averaged 5 percent higher. During first-half 1967, prices for all commodities (including food) averaged 2 percent above a year earlier. Prices for apparel averaged 4 percent higher but price increases for durable commodities such as automobiles and furniture were smaller. Costs of homeownership rose strongly with increased interest rates.

Revised Wholesale Price Index

The Wholesale Price Index was revised by the Bureau of Labor Statistics beginning with January 1967. Data since 1947-49 on a revised and reclassified basis are given in table 12.

The weighting structure for the index now is based on the value of shipments in 1963, adjusted for price changes from 1963 to December 1966. A detailed description of the revisions was published by the U.S. Department of Labor in Wholesale Prices and Price Index, January 1967 Final and February 1967 Final.

The Index for Farm Products was not reclassified, but the index for Processed Foods was expanded to Processed Foods and Feeds. In addition to the items previously carried in Processed Foods, the new classification includes alcoholic beverages, soft drinks, and manufactured animal feeds. A special grouping of All Food, which comprises all foods from the Processed Foods and Feeds group in addition to eggs and fresh and dried fruits and vegetables from the Farm Products group, is to be continued with no change in coverage.

As of December 1966, the All Food Index accounted for 15.0 percent of the entire Wholesale Price Index on the revised basis, down from 16.3 percent on the old basis. Food groups which gained in relative importance within the All Food Index include meat, poultry, eggs, and both fresh and processed fruits and vegetables (including potatoes). Lesser

Table 3.--Consumer, wholesale, and farm price indexes (1957-59=100), 1965-67

Item	1965	1966					1967		
		I	II	III	IV	Year	I	II Index	II Percent change from 1966
									Percent
Retail Prices: 1/									
All goods and services (CPI)	109.9	111.5	112.7	113.7	114.6	113.1	114.8	115.6	2.6
All items less food	110.4	111.3	112.5	113.5	114.7	113.0	115.1	116.2	3.3
All food	108.8	112.8	113.8	115.2	115.1	114.2	114.4	114.2	-.4
Food at home	107.2	111.4	112.3	113.7	113.1	112.6	111.8	111.3	-.9
Food away from home	117.8	120.8	122.2	124.0	125.7	123.2	127.4	128.7	5.3
Wholesale Prices: 1/									
All commodities	102.5	105.1	105.6	106.7	106.0	105.9	106.0	105.8	-.2
Commodities other than farm and food 2/	102.5	103.8	104.6	105.2	105.4	104.7	105.9	106.0	1.3
Farm products	98.4	106.2	105.0	108.2	102.9	105.6	101.1	100.2	-4.6
Processed food	105.1	111.2	110.6	113.1	111.2	111.5	109.8	109.7	-.8
All food 3/	104.5	110.2	109.4	112.4	110.6	110.7	108.4	108.2	-1.1
Prices received by farmers: 4/									
Crops	104	104	107	108	103	105	100	100	-6.5
Livestock and products	101	116	111	114	111	113	107	106	-4.5
Total	103	111	109	112	108	110	104	104	-4.6
Market Basket of U.S. Farm Foods: 5/									
Retail cost	106.0	111.0	111.4	113.2	112.3	112.0	110.3	109.7	-1.5
Farm-retail spread	106.4	107.2	110.3	110.9	114.0	110.6	112.7	112.8	2.3
Farm value	105.3	116.7	113.2	116.8	109.6	114.1	106.7	105.0	-7.2

1/ Department of Labor, Bureau of Labor Statistics.
2/ Recently this series has been renamed "Industrial commodities."
3/ All food includes all processed foods plus eggs and fresh and dried fruits and vegetables from the farm products group.
4/ Department of Agriculture, Statistical Reporting Service.
5/ Department of Agriculture, Economic Research Service, Marketing Economics Division.

importance in the index was accorded dairy products, sugar and confectionery, beverages, cereal and bakery products, and fats and oils.

Processed Foods and Feeds have a relative importance of 16.5 percent in the Wholesale Price Index, down from 18.2 percent on the old basis. The drop in importance of the group is explained by the relatively small increase in production of manufactured food and alcoholic beverages between 1958 and 1963. The Farm Products group retained its relative importance of 10.6 percent of the total index, unchanged from the old basis.

Beginning with data for March 1967, the Bureau of Labor Statistics has published the Wholesale Price Index in the same report as the Consumer Price Index. A special table compares actual and seasonally adjusted price changes on a comparable basis for selected commodity groups. In addition, preliminary wholesale price indexes are given a month ahead. Detailed wholesale price data are published separately in Wholesale Prices and Price Indexes, issued monthly.

Food Prices in Other Countries

Several countries indicated either no change or a slight decline in their retail food prices in 1966. These included: Ireland, The Dominican Republic, Honduras, and Panama (table 4). However, price increases of 3 or 4 percent were much more common throughout the world. Several countries experienced price increases in excess of the relatively high 5-percent price rise in the United States. These included: Canada, Argentina, Brazil, Ecuador, Peru, Sweden, Yugoslavia, United Arab Republic, India, and the Philippines. Food price inflation was pronounced in Brazil where prices rose by a half and in Argentina where they increased by a fourth. Food shortages in India resulted in a 10-percent increase in food prices.

Between 1958 and 1966, U.S. retail food prices have increased 12 percent. This is less of an increase than reported by most other countries despite the inclusion of the large 1965-66 increase that accounted for 2/5 of the U.S. total 8-year increase. Price increases in the following countries were smaller than in the United States: The Dominican Republic, Honduras, Venezuela, Czechoslovakia, and Ceylon. Again, Argentina and Brazil stand out with exceptionally large increases in food prices over the last 8 years.

Between 1958 and 1966, U.S. food prices increased about the same amount as the entire Consumer Price Index. Food prices have increased considerably more than the Consumer Price Index in about a fourth of the countries in South America, half of those in Western Europe, most of them in Eastern Europe, and in Australia and the Philippines. There was little difference in most of Africa and Asia where food represents a greater proportion of total consumer expenditures. Israel and the United Arab Republic are exceptions. Food prices increased less rapidly than other consumer items in Israel, but food prices increased more rapidly than other items in the United Arab Republic.

Table 4.--Retail food price indexes, selected countries, 1960-66, and Consumer Price Index, 1966 1/

(1958=100)

Region and country	Food price index							Consumer price index, 1966
	1960	1961	1962	1963	1964	1965	1966	
North America								
Canada	100	102	103	107	108	111	118	115
United States	100	101	102	103	104	107	112	112
South America								
Argentina (Buenos Aires)	286	313	402	494	627	802	1,005	1,017
Brazil (São Paulo)	208	280	442	736	1,445	2,169	3,211	3,003
Dominican Republic (St. Domingo)	97	89	96	107	111	110	108	110
Ecuador (Quito)	99	104	107	115	122	126	136	130
Honduras (Tegucigalpa)	92	94	95	100	105	108	107	115
Jamaica (Kingston)	105	112	112	112	114	118	120	125
Mexico (Mexico City)	105	106	107	107	109	114	120	2/123
Panama (Panama City)	100	101	101	3/101	3/106	3/106	3/105	3/104
Peru (Lima and Callao)	129	4/108	4/114	4/123	4/138	4/164	4/182	4/171
Trinidad and Tobago	105	106	110	113	113	116	120	121
Puerto Rico	107	111	113	117	120	124	129	121
Venezuela (Caracas)	102	102	99	102	104	108	110	109
Western Europe								
Austria	102	104	111	115	119	127	129	127
Belgium	101	102	104	106	111	117	123	2/120
Denmark	105	108	117	124	127	5/107	5/113	5/113
Finland	105	107	112	117	132	140	145	141
France 6/	106	110	117	105	109	111	114	114
Greece 7/	102	104	103	109	110	115	121	116
Ireland	98	102	104	105	112	119	119	127
Italy 8/	99	99	103	112	117	124	126	132
Netherlands	103	104	109	115	122	129	136	9/133
Norway	101	104	111	113	123	127	130	129
Portugal (Lisbon)	105	104	106	109	116	120	129	124
Spain 10/	108	110	119	131	137	159	166	164
Sweden	107	110	120	126	131	139	148	133
Switzerland	99	100	106	110	112	114	120	124
United Kingdom	100	102	3/100	3/102	3/105	3/109	3/113	126
West Germany	102	104	11/108	111	114	119	122	122
Eastern Europe								
Czechoslovakia	96	96	98	98	98	99	---	---
Hungary (Budapest)	99	100	102	100	102	105	109	105
Poland	107	108	113	112	113	114	116	111
Yugoslavia	108	119	137	150	173	241	295	263
Africa								
Ghana (Accra)	102	109	119	124	144	197	---	---
Morocco (Casablanca)	106	108	114	121	128	133	129	128
South Africa 12/	102	104	103	105	109	116	120	118
Tunisia (Tunis)	94	98	3/100	3/102	3/107	3/115	3/119	3/119
United Arab Republic (Cairo)	102	103	103	105	111	139	154	128
Asia								
Ceylon (Columbo)	95	94	95	97	101	102	103	107
China (Taiwan)	138	143	139	143	146	149	156	150
India	106	106	110	114	131	145	160	159
Israel	103	110	117	122	124	135	141	158
Japan	104	111	120	131	134	148	---	---
Oceania								
Australia	109	112	109	109	113	120	123	119
New Zealand	102	103	104	106	112	115	117	123
Philippines (Manila)	102	105	113	124	140	140	156	138

1/ Compiled from Monthly Bulletin of Statistics, June 1967, Statistical Office of the United Nations. 2/ Excluding rent. 3/ 1962=100. 4/ 1960=100. Food index includes fuel in 1960. 5/ 1964=100. 6/ Paris only 1959-62; all France thereafter, 1962=100. 7/ 1959=100. 8/ Food price includes tobacco. 9/ Excluding compulsory social insurance and wage tax. 10/ Beginning 1961, new index. 11/ Scope of series changed. 12/ White population.

FOOD CONSUMPTION

Civilian Food Use Up 1 Percent Per Capita

Increased supplies of many food products, growing population, and strong consumer demand are expected to result in a rise of 2 percent in total civilian food consumption in 1967. The population is growing about 1 percent again this year, so per capita food consumption likely will be up about 1 percent despite some increase in prices (table 2). This increase would duplicate the 1-percent per capita increase that occurred last year. It would bring the level of consumption back to the record high of 103.5 (1957-59=100) set in 1946.

Increased consumption is likely both for total animal and total crop products in 1967, with the larger gain expected for animal products. Sizable increases in consumption this year are likely for pork, poultry, eggs, rice, citrus fruits, frozen vegetables, and processed potato products (table 5). Lower per capita consumption is indicated for veal, lamb, most dairy products, animal fats, noncitrus fruits, melons, and dry edible beans.

Most of the expected increase in food consumption this year probably took place in the first half year when prices were declining. Industrial production of all processed foods in January-May 1967 totaled a sizable 4 percent above the same months of 1966 (fig. 6).

Per capita consumption of total livestock products was 3 percent above a year earlier during first-half 1967 (table 7). It likely will be about the same as a year earlier during the second half. Quarterly consumption data are not available for most crop products. Nevertheless, movement of processed vegetables was unusually heavy during first-half 1967. Further, large supplies of citrus products were available in the first half year and relatively low supplies of noncitrus are anticipated for the second half year.

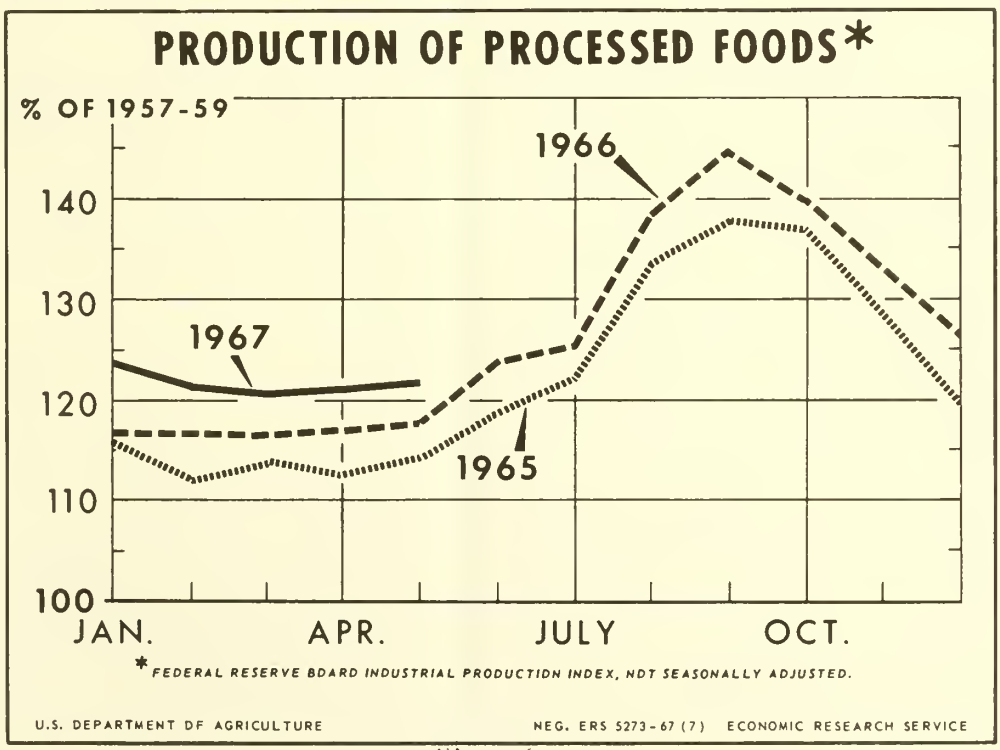


Figure 6

Table 5 .--Civilian per capita consumption of major food commodities, primary distribution weight, and civilian population, average 1957-59, annual 1960-67 1/

Commodity	Average 1957-59	1960	1961	1962	1963	1964	1965	1966	Indications for 1967 as percentage of 1957-59	Indications for 1967 as percentage of 1966
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent	Percent
Meats (carcass weight) - Total 2/	156.6	160.8	160.4	163.0	169.3	174.5	166.7	170.5	111	102
Beef	82.1	85.0	87.7	88.8	94.3	99.8	99.3	104.0	129	101
Veal	7.1	6.1	5.6	5.5	4.9	5.2	5.2	4.5	55	87
Lamb and mutton	4.4	4.8	5.1	5.2	4.8	4.2	3.7	4.0	84	92
Pork (excluding lard)	63.0	64.9	62.0	63.5	65.3	65.3	58.5	58.0	97	106
Fish (edible weight) - Total	10.5	10.3	10.7	10.6	10.7	10.5	10.9	10.6	101	100
Fresh and frozen	5.7	5.7	5.9	5.8	5.8	5.9	6.0	5.9	---	---
Canned 4/	4.2	4.0	4.3	4.3	4.4	4.1	4.4	4.2	---	---
Cured	.6	.6	.5	.5	.5	.5	.5	.5	---	---
Poultry products 2/										
Eggs (farm basis) - Number	356	334	328	326	317	318	314	313	91	103
Chicken (ready-to-cook)	27.5	28.0	30.0	29.9	30.7	31.0	33.3	36.0	136	104
Turkey (ready-to-cook)	6.0	6.1	7.4	7.0	6.8	7.3	7.5	7.8	147	113
Dairy products										
Total milk fat solids 2/	25.6	24.5	24.0	23.8	23.4	23.3	22.8	22.2	83	96
Total nonfat milk solids 2/	43.8	43.1	42.5	42.3	41.4	41.3	40.9	40.6	91	98
Cheese	7.9	8.3	8.6	9.2	9.2	9.4	9.5	9.8	127	102
Condensed and evaporated milk	14.8	13.7	13.3	12.5	11.6	11.3	10.6	9.6	60	93
Fluid milk and cream 2/	335	320	310	306	305	302	299	296	86	97
Ice cream (product weight)	18.4	18.3	18.0	17.9	18.0	18.2	18.5	18.1	98	99
Fats and oils - Total, fat content 2/ 5/	45.3	45.2	45.1	45.7	46.3	47.5	47.7	48.5	106	99
Butter (actual weight)	8.2	7.5	7.4	7.3	6.9	6.8	6.4	5.7	66	95
Margarine (actual weight)	8.9	9.4	9.4	9.3	9.6	9.7	9.9	10.5	121	103
Lard	9.3	7.6	7.7	7.1	6.4	6.3	6.4	5.6	59	98
Shortening	11.4	12.6	12.8	13.4	13.5	13.7	14.0	15.9	138	99
Other edible fats and oils	10.8	11.5	11.2	11.7	13.1	14.1	14.1	14.1	128	98
Fruits 2/										
Fresh (farm weight) - Total	95.5	93.2	88.2	83.2	74.1	78.4	81.0	81.2	86	101
Citrus	37.1	33.7	30.8	29.5	22.1	26.1	29.0	29.1	82	104
Apples (commercial)	21.0	18.2	16.4	17.4	16.7	17.8	16.3	15.9	76	100
Other (excluding melons)	40.5	41.3	41.0	36.3	35.3	34.5	35.7	36.2	88	99
Processed:										
Canned fruit	22.4	22.6	23.2	22.7	22.9	22.9	23.4	22.9	99	97
Canned juice	13.5	13.0	11.7	11.6	12.9	11.4	10.8	11.6	84	98
Frozen (including juices)	8.6	9.1	8.8	9.7	8.0	7.4	8.5	8.1	112	119
Dried	3.3	3.1	3.1	3.0	2.9	2.9	2.9	3.1	88	94
Vegetables										
Fresh 6/	104.3	105.8	104.9	102.8	103.2	100.8	101.0	97.9	96	102
Canned, excluding potatoes and sweetpotatoes	43.0	43.0	43.0	44.4	45.0	44.5	45.5	45.7	107	101
Frozen, excluding potatoes	6.6	7.1	7.1	7.7	7.4	8.0	8.5	9.3	150	106
Potatoes and sweetpotatoes										
Potatoes, fresh equivalent 2/ 7/	106.9	108.3	109.4	107.3	111.3	110.3	107.8	118.5	111	100
Frozen potatoes, product weight	1.6	2.7	2.8	3.9	4.5	5.8	5.7	6.9	469	109
Sweetpotatoes, fresh equivalent 2/ 7/	8.3	7.1	6.5	6.8	6.9	5.4	6.0	5.9	69	97
Dry edible beans 2/	7.7	7.3	7.9	7.6	7.5	7.6	6.6	6.4	82	98
Melons	25.1	25.6	24.7	23.2	24.7	23.2	24.2	21.7	84	98
Sugar (refined)	96.1	97.6	97.7	97.2	96.6	96.5	96.4	97.9	101	99
Grains										
Cornmeal and flour	7.4	6.6	6.3	6.1	5.9	5.8	5.7	5.6	74	98
Corn sirup	9.4	10.1	10.6	11.5	12.3	13.6	13.6	14.0	149	100
Corn sugar	3.6	3.7	3.7	3.9	4.5	4.4	4.5	4.5	125	100
Oat food products	3.6	3.6	3.6	3.7	3.7	3.7	3.7	3.7	103	100
Wheat flour 8/	120	118	118	115	116	117	115	114	95	100
Wheat cereals	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	104	100
Rye flour	1.2	1.1	1.1	1.1	1.1	1.1	1.1	1.2	92	92
Rice, milled	5.4	6.1	6.2	7.4	6.6	7.0	7.6	7.3	144	107
Other										
Coffee (green beans)	15.7	15.8	15.8	15.9	15.7	15.3	14.8	14.5	92	100
Tea	.60	.60	.60	.66	.67	.69	.69	.69	117	101
Cocoa beans	3.5	3.6	3.9	3.8	3.9	3.9	4.0	4.2	120	100
Peanuts (shelled)	4.6	4.9	4.9	4.9	5.0	5.3	5.6	5.6	---	---
	Million	Million	Million	Million	Million	Million	Million	Million	Percent	Percent
Civilian population 9/	171.5	178.2	181.2	183.8	186.7	189.4	191.9	193.8	114	101

1/ Quantity in pounds except for eggs which are stated in number. Data on calendar year basis except for dried fruits, which are on pack year basis, fresh citrus fruits and peanuts on a crop year basis, and rice on August 1 year. All years begin in the year indicated except for fresh citrus, which begins in October of the previous year, and rice which begins in August of previous year. 2/ Data incorporates information from the 1964 Census of Agriculture. 3/ Not available. 4/ Includes fish content of items such as clam chowder. 5/ Computed from unrounded data. 6/ Covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets. Excludes farm garden output for farm household use. 7/ Includes quantities canned and frozen. 8/ Includes white, whole wheat, and semolina flour. 9/ Census estimates of July 1 civilian population (50 States beginning 1960) used to derive per capita figures except for sugar, dried fruit, peanuts, and rice.

Table 6.--Production of major food commodities, average 1957-59, annual 1960-67 1/

Commodity	Unit	Average 1957-59	1960	1961	1962	1963	1964	1965	1966 preliminary 2/	Preliminary indications for 1967 as percentage of 1957-59	Preliminary indications for 1967 as percentage of 1966
										Percent	Percent
Meats (carcass weight) - Total 3/	Mil. lb.	26,612	28,236	28,608	28,972	30,580	32,692	31,535	32,622	126	103
Beef	Mil. lb.	13,704	14,753	15,325	15,322	16,453	18,453	18,724	19,725	147	102
Veal	Mil. lb.	1,240	1,109	1,044	1,015	929	1,013	1,020	910	64	87
Lamb and mutton	Mil. lb.	711	768	832	808	770	715	651	650	87	95
Pork (excluding lard)	Mil. lb.	10,957	11,606	11,407	11,827	12,428	12,511	11,140	11,337	110	106
Poultry and eggs 3/ 4/											
Eggs	Mil. doz.	5,475	5,339	5,358	5,403	5,345	5,435	5,474	5,538	106	105
Chicken (ready-to-cook)	Mil. lb.	4,880	5,208	5,787	5,825	6,048	6,219	6,649	7,303	156	104
Turkey (ready-to-cook)	Mil. lb.	1,065	1,156	1,506	1,302	1,355	1,459	1,521	1,678	169	107
Dairy products											
Total milk 3/	Bil. lb.	123.3	123.1	125.7	126.3	125.2	127.0	124.2	120.2	97	100
Cheese 5/	Mil. lb.	1,396	1,478	1,635	1,592	1,632	1,723	1,755	1,856	135	102
Condensed and evaporated milk	Mil. lb.	2,789	2,666	2,631	2,409	2,369	2,395	2,178	2,185	72	92
Ice cream (product weight)	Mil. lb.	3,212	3,358	3,357	3,381	3,444	3,546	3,634	3,610	112	100
Fats and oils - Total fat content 3/ 6/	Mil. lb.	11,070	12,321	12,334	13,331	13,681	14,051	14,287	14,434	128	99
Butter (actual weight) 3/	Mil. lb.	1,477	1,436	1,536	1,579	1,454	1,469	1,346	1,128	86	113
Lard 3/ 7/	Mil. lb.	2,584	2,562	2,514	2,476	2,473	2,473	2,045	1,929	82	109
Margarine (actual weight)	Mil. lb.	1,549	1,695	1,724	1,726	1,794	1,857	1,904	2,110	141	104
Shortening	Mil. lb.	2,022	2,313	2,456	2,689	2,584	2,664	2,792	3,181	158	101
Other edible fats and oils 8/	Mil. lb.	7,297	8,603	8,585	9,584	10,038	10,395	11,158	11,597	152	96
Fruits 3/											
Fresh:											
Citrus	Mil. lb.	6,794	6,873	6,462	6,286	4,854	5,690	6,413	6,686	106	108
Apples (commercial)	Mil. lb.	3,859	3,156	3,449	3,417	3,447	3,569	3,375	3,213	80	96
Other (excluding melons)	Mil. lb.	4,071	3,926	4,038	4,024	3,658	3,624	3,778	3,849	86	91
Processed:											
Canned fruit	Mil. lb.	4,158	4,312	4,593	4,842	4,293	5,325	4,619	4,973	108	90
Canned fruit juices	Mil. lb.	2,688	2,620	2,430	2,722	2,636	2,190	2,251	2,530	97	103
Frozen (including juice)	Mil. lb.	1,556	1,620	1,741	2,037	1,232	1,533	1,657	1,577	138	136
Dried	Mil. lb.	694	695	758	723	773	832	860	850	110	90
Vegetables 9/											
Fresh 10/	Mil. lb.	19,921	21,497	21,171	21,023	21,391	21,196	21,790	21,299	110	103
Canned	Mil. lb.	7,620	7,780	8,600	9,258	8,615	8,494	8,813	9,094	131	110
Frozen	Mil. lb.	1,183	1,402	1,531	1,493	1,455	1,507	1,778	1,976	169	101
Potatoes and sweetpotatoes											
Potatoes 3/	Mil. cwt.	252	257	293	265	271	241	291	307	120	98
Frozen potato products	Mil. lb.	287	551	579	762	861	1,118	1,219	1,459	523	103
Sweetpotatoes 3/	Mil. cwt.	18.2	14.9	14.4	17.1	14.4	13.0	15.5	13.7	73	96
Dry edible beans 3/ 11/ 12/	Mil. lb.	1,782	1,741	1,967	1,794	1,998	1,738	1,646	2,027	81	71
Dry field peas 3/ 11/	Mil. lb.	385	367	384	566	552	568	466	435	131	116
Melons 10/	Mil. lb.	4,454	4,645	4,446	4,478	4,742	4,292	4,540	4,196	91	97
Sugar, raw basis	1,000 tons	2,732	4,012	4,268	4,399	4,870	5,587	5,371	5,288	187	96
Grains 3/											
Wheat	Mil. bu.	1,177	1,355	1,233	1,092	1,147	1,283	1,316	1,311	136	122
Rye	Mil. bu.	28.3	33.1	27.3	40.7	29.2	32.5	33.2	27.9	86	87
Rice, rough	Mil. cwt.	45.7	53.7	54.6	54.2	66.1	70.3	73.2	76.3	186	112
Corn, grain only	Mil. bu.	3,409	3,907	3,598	3,606	4,019	3,484	4,084	4,103	132	110
Oats	Mil. bu.	1,247	1,153	1,010	1,012	966	852	927	798	62	97
Barley	Mil. bu.	447	429	392	428	393	386	392	390	85	98
Peanuts, farmers' stock 13/	Mil. lb.	1,591	1,718	1,657	1,719	1,942	2,099	2,384	2,411	---	---

1/ Calendar year basis except for fresh citrus fruit for which the season begins in the fall of the previous year; dried fruits on a pack year beginning year indicated; rice on a marketing year ending year indicated. 2/ Based on the best available information but subject to revision in line with later data from the Crop Reporting Board. 3/ Data incorporates information from the 1964 Census of Agriculture. 4/ Includes an allowance for nonfarm production. 5/ Excludes full skim, cottage, pot, and baker's cheese. 6/ Includes butter, lard, and "other edible fats and oils." 7/ Includes amount used in manufactured food and nonfood products. 8/ Includes cottonseed, peanut, soybean, corn, edible olive, and oleo oils; oleo stock, oleostearine, and edible tallow later processed into margarine, shortening, cooking and salad oils, etc., and nonfood items. 9/ Excludes potatoes and sweetpotatoes. 10/ Covers total commercial production for sale as fresh both for shipment to distant markets and for local markets; includes quantities not harvested. Excludes farm garden output for farm household use. 11/ Cleaned basis. Beginning 1960, dry peas include lentils. 12/ Beginning 1959, excludes seed beans produced on contracted acreage. 13/ Beginning 1959 on a net-weight basis (cleaned and adjusted to standardized moisture content).

Note: All data on 50-State basis beginning 1960.

Table 7.--Livestock products: Per capita civilian consumption, by quarters, 1955-67 1/

(Index, 1957-59=100)

Year and quarter		Meat	Poultry	Eggs	Dairy products		Fats, including butter	Total livestock products 2/
					Excluding butter	Including butter		
1955	I	104.3	57.5	107.2	100.0	101.1	108.1	99.6
	II	100.5	74.3	101.0	103.6	103.9	103.5	99.6
	III	104.5	83.2	98.4	103.0	103.4	101.1	101.7
	IV	113.2	99.3	108.1	97.8	99.4	114.1	106.6
1956	I	112.1	68.1	108.1	101.4	101.9	109.4	104.6
	II	104.1	84.7	99.3	103.9	104.2	101.5	102.0
	III	103.9	91.3	98.4	102.0	102.1	100.1	101.6
	IV	110.9	108.8	107.2	99.3	100.4	113.7	106.7
1957	I	104.4	72.7	107.2	100.6	100.7	100.8	100.7
	II	99.0	87.2	99.3	102.0	102.1	99.6	99.1
	III	100.1	96.3	98.4	101.0	100.7	96.2	99.8
	IV	104.5	118.8	103.7	99.0	99.7	108.5	103.9
1958	I	95.3	77.4	101.9	98.6	98.5	97.2	95.6
	II	93.8	93.0	96.6	102.3	102.1	102.2	97.1
	III	96.9	110.2	95.7	99.9	99.3	94.3	98.7
	IV	101.2	124.6	102.8	97.7	98.5	107.5	102.3
1959	I	97.8	85.6	102.8	99.6	99.9	102.2	98.1
	II	98.2	102.2	95.7	100.4	99.8	96.2	99.0
	III	101.0	109.2	94.8	100.9	100.2	93.8	100.8
	IV	107.8	122.7	101.0	98.0	98.2	101.8	104.9
1960	I	103.7	79.9	97.5	98.4	97.9	94.3	99.1
	II	98.6	96.5	92.2	101.2	100.0	89.9	98.4
	III	102.2	107.9	90.4	99.8	98.8	87.5	100.2
	IV	102.3	125.0	95.7	96.7	96.8	96.9	101.5
1961	I	99.3	83.3	93.9	97.7	97.2	94.7	96.8
	II	100.8	111.9	89.5	99.8	98.8	91.9	100.0
	III	99.4	120.2	89.5	98.5	97.1	88.0	99.4
	IV	104.7	134.3	94.8	92.4	92.9	102.0	102.1
1962	I	103.4	85.8	93.9	97.5	97.0	94.3	98.8
	II	100.2	105.9	89.5	98.8	97.8	90.3	98.8
	III	100.2	111.7	88.6	98.2	97.3	89.4	99.0
	IV	105.0	138.5	93.9	97.3	96.9	98.6	103.9
1963	I	103.8	87.8	90.4	97.2	96.8	93.7	98.8
	II	103.2	104.8	86.9	99.4	98.4	89.4	100.1
	III	104.5	117.5	87.7	99.0	95.9	70.6	100.8
	IV	110.6	137.2	91.3	95.8	95.5	98.4	105.7
1964	I	106.8	93.9	91.3	98.6	98.1	95.2	101.2
	II	107.5	106.9	86.0	99.5	98.1	82.1	101.9
	III	106.6	120.4	86.9	99.1	96.9	80.5	102.4
	IV	112.8	137.4	90.4	96.0	95.2	89.8	106.3
1965	I	105.2	96.3	88.6	100.2	98.7	86.8	100.6
	II	101.0	111.7	86.9	98.3	96.5	81.7	98.9
	III	102.9	129.7	86.9	96.8	94.4	74.0	100.4
	IV	104.9	149.3	89.5	95.3	94.6	92.1	103.4
1966 3/	I	101.9	103.2	88.6	99.2	97.8	81.1	99.1
	II	104.2	120.0	86.0	97.6	95.0	72.7	100.3
	III	106.9	139.4	86.9	96.7	93.4	70.1	102.8
	IV	110.3	159.7	92.2	93.0	91.2	77.0	105.5
1967 3/	I	110.4	110.3	91.3	96.2	94.2	79.7	102.7
	II	108.2	127.3	91.3	94.9	92.2	71.3	102.3

1/ Quantities of individual foods, measured in pounds equivalent to the form sold by retail food stores, combined in terms of average 1957-59 retail prices. Methodology paralleled that for annual data reported in U.S. Food Consumption, SB-364, e.g., consumption is defined as disappearance into the marketing system. For a few, relatively minor, foods seasonal consumption patterns were assumed to be the same as similar-type products for which data are available.

2/ Excludes fish and honey. 3/ Preliminary.

Military Food Use

Increased intensity of U.S. military commitments resulted in increased food procurement by the U.S. Armed Forces during 1966 (table 8).1/ The total value of central military food procurement increased from $1,030 million in 1965 to $1,118 million in 1966. Total food procurement in 1967 likely will again be slightly higher. But the rate of increase appears moderate in relation to the buildup in military forces.

Even with the substantial increases in food procurement since 1964, military food use represented only 2.2 percent of total food use in 1966 (table 8).2/ Preliminary data indicate essentially no change for 1967. However, troop strength grew from 2.7 million on July 1, 1965, to 3.1 million on July 1, 1966, and to 3.5 million on July 1, 1967. Military forces accounted for 1.8 percent of the total U.S. population in mid-1967, up from 1.6 percent a year earlier.

1/ Central procurement data essentially represent food used for troop feeding. They do not include most food purchased from post exchanges and domestic commissaries. Neither do they include local food purchases which are important for fluid milk and cream and certain bakery products. Nevertheless, although central procurement data are incomplete in terms of total military food use, they probably reflect changes in use over time. Consumption of some items such as sweeteners are understated, because use in soft drinks, confectionery, and similar products is included as a component of their respective products.

2/ Estimates of locally procured items are included in addition to central procurement in measuring total use by the military.

PRICES AND CONSUMPTION BY COMMODITY

Meat Prices to Rise, Consumption may Decline

Red meat consumption during January-June 1967 totaled 5 pounds above the 83 pounds (carcass weight) consumed during the same period in 1966. This was an unusually large increase, bringing consumption above the level in second-half 1966 and near the high level in second-half 1964.

Most of the increase compared with a year ago was accounted for by pork, but beef consumption also increased. Consumption in the second-half year may equal or even fall slightly below the 87½ pounds consumed per capita in second-half 1966, with declines late in the year possible for beef, veal, and lamb. Meat consumption typically is larger in the second-half year than in the first half, but this year the pattern may not hold.

Meat prices at retail averaged 5 percent below a year earlier during first-half 1967 (fig. 7). Beef and veal prices averaged 1 percent lower, and pork prices were down 11 percent. Prices likely will rise more than seasonally this summer in response to the slowdown in production rates relative to a year earlier. Pork prices usually decline in the late fall, but prices may drop less than usual this year, since supplies are falling relative to a year earlier. Beef prices likely will strengthen this fall and continue strong into the winter if current supply anticipations materialize.

Fishery Products Stocks Declining

Lower production is expected in the domestic fish industry this year. Nevertheless, food use is not likely to differ much from the 10.6 pounds per capita consumed in 1966. Record high beginning-year stocks are expected to be worked down to more normal levels by year-end. At the end of June, fresh and frozen products totaled 6 percent above a year earlier.

Table 8.--Military food procurement, 1964-67 1/ 2/

Item	1964	1965	1966					1967	
			I	II	III	IV	Year	I	April-May
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Meat: 3/									
Beef and veal	528	598	162	190	166	165	683	181	135
Pork	196	241	62	62	65	66	255	62	55
Other	3	4	1	1	1	2	5	0	0
Fish 4/	23	24	7	8	9	15	39	11	10
Chicken and turkey 5/	123	134	34	39	38	42	153	34	26
Eggs 6/	120	147	38	43	39	39	159	40	34
Dairy products 7/	117	136	32	29	40	32	133	25	15
Fats and oils 8/	87	119	20	56	36	47	159	40	37
Fruits:									
Fresh	186	173	46	44	38	57	185	55	40
Processed	231	359	59	104	124	181	468	64	54
Vegetables:									
Fresh 9/	694	755	215	247	167	269	898	165	124
Processed	306	462	58	64	85	239	446	69	59
Cereal products:									
Wheat flour 10/	164	196	56	72	46	54	228	36	60
Other cereal products	28	39	6	10	18	7	41	14	19
Sugar and sirups 11/	140	171	56	48	32	53	189	52	41
Coffee, tea, and cocoa	53	66	16	13	15	14	58	18	13
Value of central procurement 13/ (million of dollars)	$781	$1,030	$246	$287	$278	$307	$1,118	$235	$188
Percentage of total quantity of food use in the U.S. 14/	1.9%	2.1%	---	---	---	---	2.2%	---	---

1/ Centrally procured items only. 2/ Data in terms of product weight unless otherwise indicated. 3/ Carcass weight basis. 4/ Major fish and shellfish items only. 5/ Ready-to-cook basis. 6/ Shell equivalent. 7/ Centrally procured manufactured dairy products plus USDA donations of butter and cheese; excludes fluid milk and cream, cottage cheese, and frozen desserts. 8/ Includes salad dressing, mayonnaise, and peanut butter; excludes butter. 9/ Includes potatoes and sweetpotatoes. Dehydrated onions and potatoes are converted to fresh weight equivalent. 10/ Wheat flour equivalent. 11/ Excludes sweeteners in manufactured products. 12/ Coffee, roasted bean basis; tea, leaf basis; and beverage cocoa. 13/ Includes minor amounts of nonfood products and food items other than those listed above. 14/ Estimate of total military consumption; derived from data in table 9.

Based primarily on data from the U.S. Department of Defense, Defense Personnel Support Center, Philadelphia, Pa.

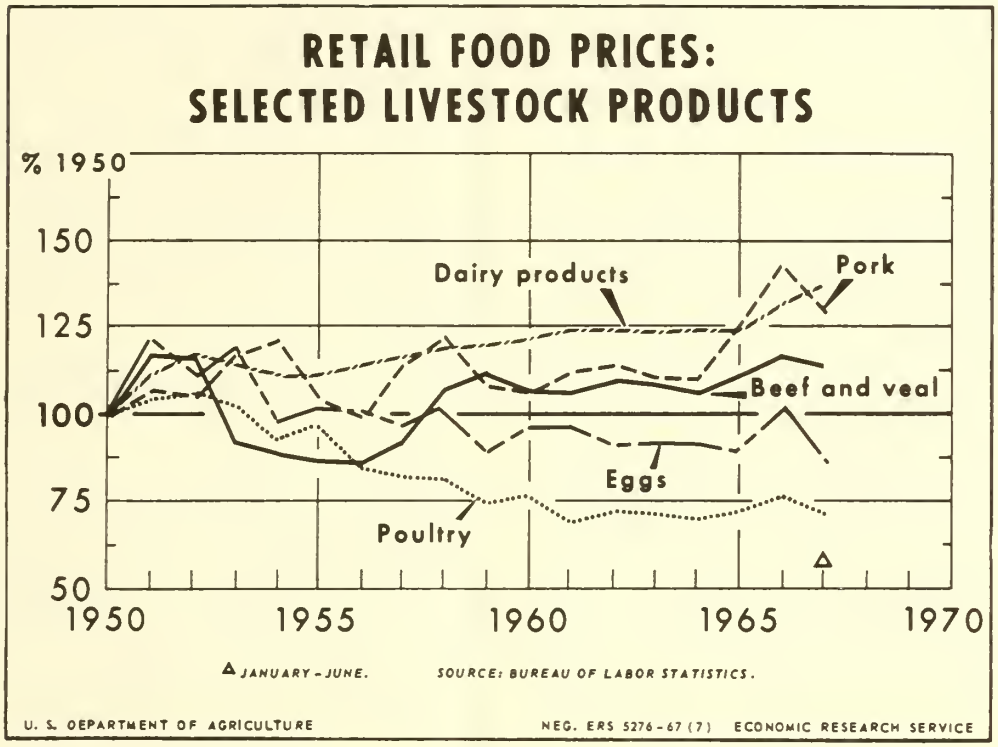


Figure 7

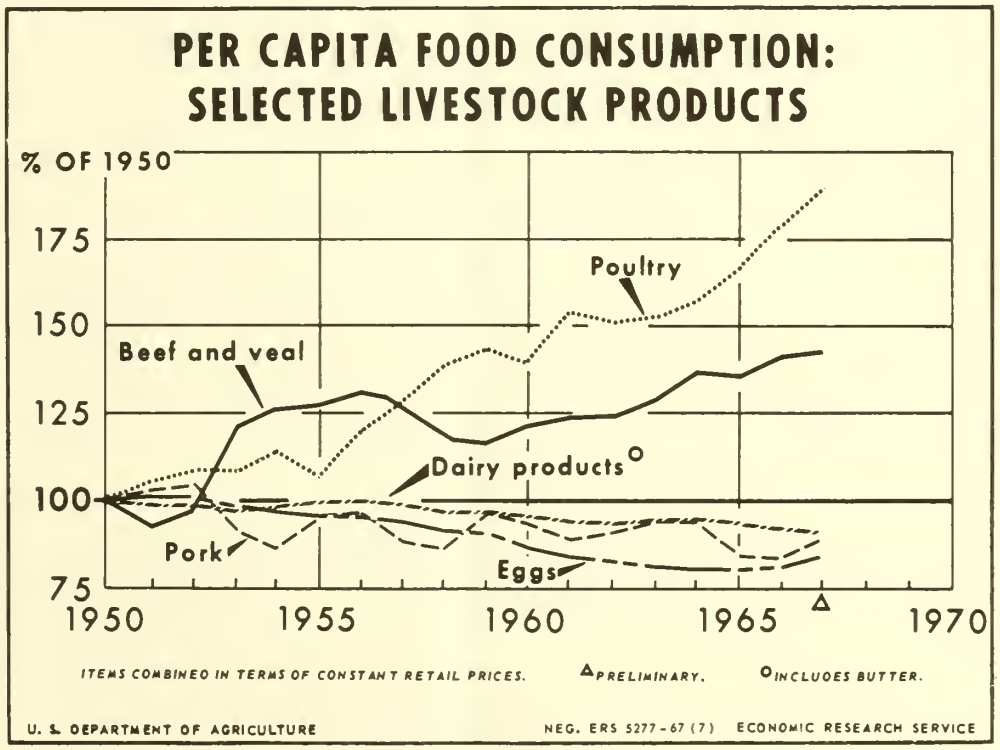


Figure 8

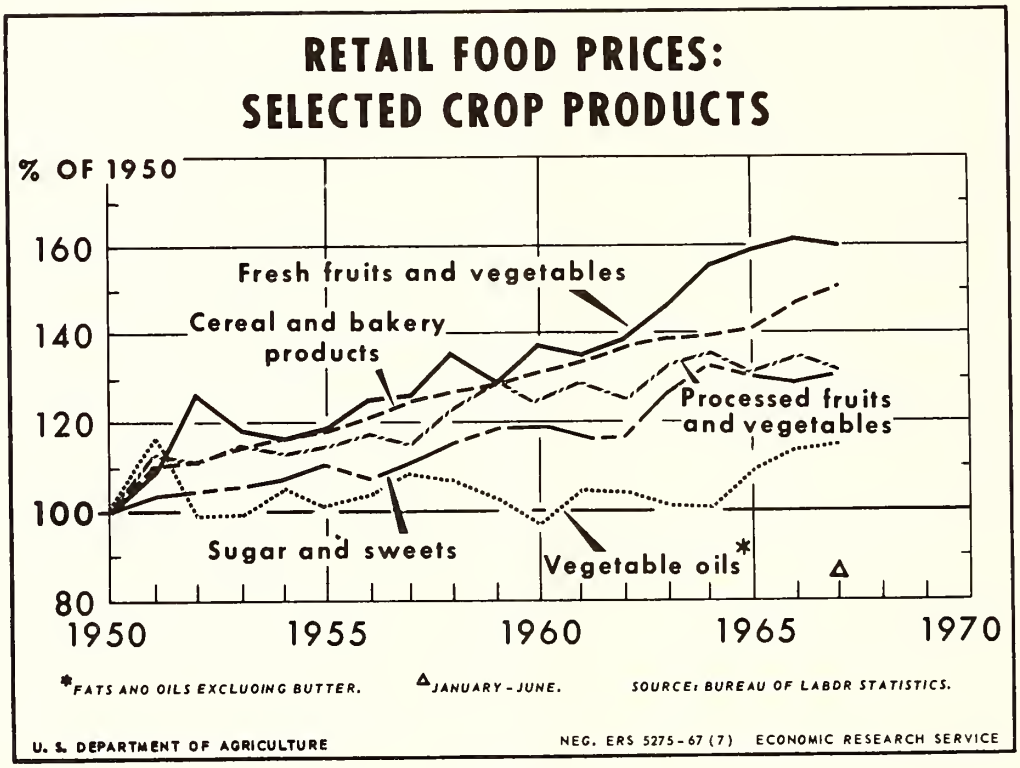


Figure 9

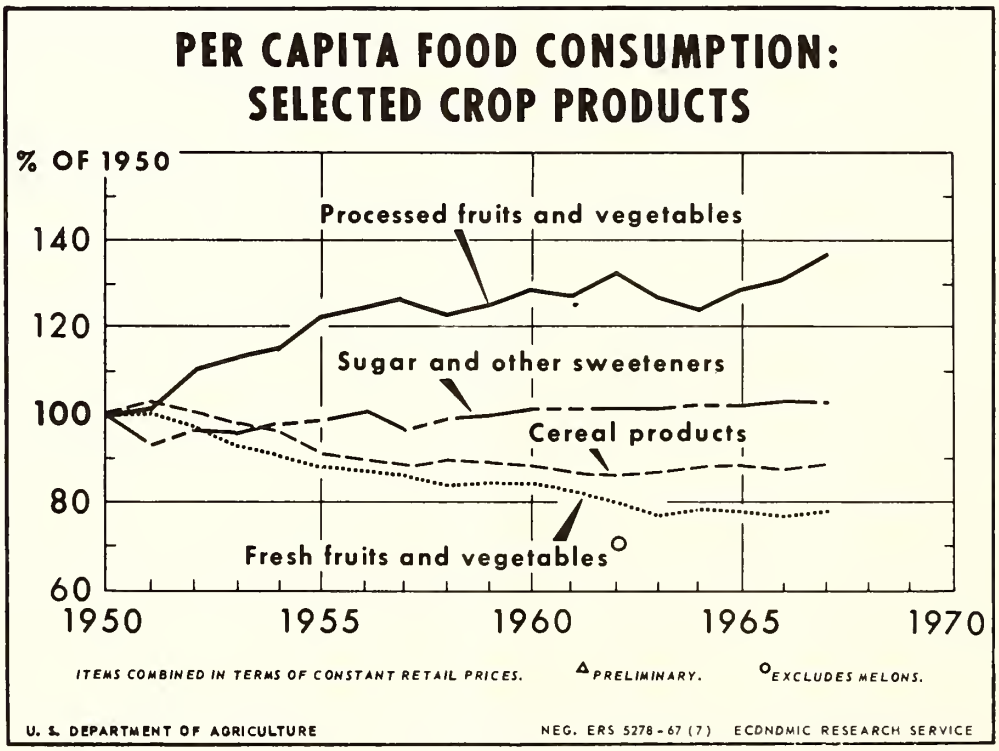


Figure 10

Stocks were larger for shrimp, flounder, ocean perch fillets, and whiting but sharply lower for cod fillets, crabs, spiny lobsters, and scallops.

Retail prices for fishery products averaged 6 percent above a year earlier during first-half 1967. Average prices are expected to stablilize during late summer. Prices for shrimp are expected to be moderately lower, but higher prices are likely for canned salmon.

Poultry and Egg
Consumption Larger

Poultry meat consumption in first-half 1967 was 6 percent per capita above a year earlier. Relatively low prices to producers during the first half may slow production gains in the second-half year, but output is expected to remain well above a year earlier. Per capita consumption of chicken in 1967 may total 4 or 5 percent above a year earlier and turkey consumption may be up more than a tenth (fig. 8).

Larger supplies of poultry and red meat in the first half of 1967 resulted in retail prices for poultry dropping 8 percent below a year earlier. Prices in the second half likely will rise from low first half rates and by the fourth quarter be above a year earlier.

Egg production in the first half year was up a sizable 6 percent from a year earlier. Consumption rose nearly as fast as production, but prices dropped sharply and stocks rose. Lower prices to producers are expected to moderate production gains in the second half year although supplies are expected to continue relatively large.

Egg consumption in 1967 likely will exceed the 313 eggs per capita consumed in 1966. Larger consumption would be a departure from declining egg use that has typified the post-World War II period (fig. 8). Although prices in the second half year probably will rise from extremely low levels during the first half, retail prices likely will remain well below year-earlier levels.

Dairy Product
Consumption Lower

Although milk marketing in first-half 1967 was about the same as a year earlier and imports rose, retail prices rose 7 percent and per capita consumption of total dairy products (milk equivalent) declined about 3 percent from a year earlier. As a result, stocks of dairy products climbed.

USDA purchases under the price support programs in the first half year were equivalent to 5.3 billion pounds of milk, compared with only 0.2 billion pounds a year earlier. Rising Government holdings of dairy products prompted the return of butter and cheese to the list of USDA-donated foods for needy persons in July. Donations of these items had been discontinued when CCC dairy stocks had largely disappeared in 1966.

Lower retail sales in first-half 1967 appear largely related to the higher prices for dairy products. Commercial disappearance of butter and nonfat dry milk each declined 17 percent from a year earlier during January-May. Sales of fluid whole milk in Federal and State marketing areas were down over $2\frac{1}{2}$ percent. Cheese, ice milk, and fluid skim products were the only major items to show increases in sales.

Milk production in the second-half year likely will continue close to levels in second-half 1966. Imports of dairy products likely will be down sharply because of a Presidental Proclamation effective July 1, 1967 extending import quotas to a number of new products. This action is expected to reduce second-half imports of dairy products to about 0.5 billion pounds (milk equivalent). Imports in January-June 1967 totaled 2.2 billion pounds.

Although retail prices for dairy products in first-half 1967 averaged well above a year earlier, little change has occurred since late in 1966. Dairy product prices may rise slightly in second-half 1967, but not nearly as much as in second-half 1966.

Fats and Oils Prices Weak

Butter and lard production this year each are averaging a tenth or more above 1966. Nevertheless, per capita consumption of butter and direct use of lard likely will decline again this year. Per capita consumption of margarine probably will increase again. Per capita consumption of margarine this year may be twice the level of butter for the first time. The decline in use of animal fats may result in a small decline in per capita use of total fats and oils, since consumption of total vegetable oils probably will hold about stable.

Retail prices of the major food fat products have declined since early 1967, but prices so far this year have averaged 3 percent above a year earlier. Continuing large supplies in the second half year likely will hold prices relatively low. Wholesale prices for edible vegetable oils are expected to remain below a year earlier during second-half 1967.

Noncitrus Fruit Prices Rising

Total supplies of fresh noncitrus fruits this summer and fall are expected to be down considerably from a year earlier, due to generally unfavorable weather this spring. Supplies of processed noncitrus fruits also are expected to be smaller this fall than a year earlier. As a result, retail prices are likely to rise for most noncitrus fruits.

The total peach crop this year is expected to be down substantially from last year, although California Clingstones may be about the same. Pear production probably will be down sharply. The pack of fruit cocktail this fall likely will be smaller. The summer commercial apple crop is expected to be only slightly below a year earlier, although the packs of applesauce and slices may be larger. The production of cherries, both red tart and sweet, likely will be much lower this year.

Low Prices for Citrus

Supplies of fresh citrus are seasonally light during the summer, although processed items from last season's pack are in large supply. Consumption of citrus products is rising considerably this year in response to larger supplies and lower prices. In addition to increasing commercial sales, large amounts of citrus are being utilized through the school lunch and USDA-donation programs. Continuing low prices are likely for citrus products during the balance of 1967. Prospects for new citrus crops appeared good as of mid-July.

Vegetable Consumption Up

Prices for fresh vegetables in early summer were relatively high, due to short supplies caused by adverse spring weather. However, summer marketings are increasing more than seasonally. Late summer prices likely will average below year-earlier levels.

Per capita consumption of total vegetables likely will increase this year. Increased use of processed vegetables apparently took place during the first-half year and larger packs from 1967 crops are in prospect. Consumption of both canned and frozen vegetables likely will increase this year, although the increase for frozen vegetables is expected to be larger than for canned vegetables. The increased use of processed vegetables during first-half 1967 reduced available supplies and caused prices to rise during the second quarter. Larger crops of vegetables for processing likely will bring lower retail prices for these items late in the year if yields are near normal.

Potato Prices Low, Beans High

Use of processed potato products is continuing strongly upward again this year, although less use of fresh potatoes is likely. Retail prices declined during second-quarter 1967 despite smaller spring crops. Larger late summer and fall crops likely will result in relatively low prices for potatoes in coming months.

A prospective short crop of dry edible beans this year likely will reduce consumption and result in sharply higher prices for bean products during the of the year.

Stable Consumption for Cereal Products

Domestic supplies of food grains will be much more than adequate to meet U.S. food requirements again this year. The 1967 wheat crop, estimated at a record 1.6 billion bushels, is 3 times greater than anticipated U.S. civilian food use in 1967. Exports of wheat likely will again surpass that used for food by U.S. civilians. Per capita use of wheat flour is expected to total around the 114 pounds of 1966 with most of it again consumed in the form of baked goods.

Wholesale prices for commercial bakery flour in second-quarter 1967 averaged 10 percent below prices in third-quarter 1966. Prices to bakers in second-half 1967 likely will remain near the reduced levels in the second quarter.

Per capita consumption of rice likely will increase again in 1967, as in most recent years. Per capita consumption exceeded 7 pounds per capita in 1966 compared with 6.1 pounds in 1960. USDA donations continued to account for about a tenth of total U.S. consumption. Domestic food use accounted for only a fourth of total annual use in 1966. Exports and nonfood uses continued to provide the major outlets for U.S. rice production.

Per capita use of corn in all food products this year is expected to total about the same as the 55 pounds (grain equivalent) used in 1966. Consumption of corn food products has tended to level off in the last 2 or 3 years, following a steady upturn since the late 1940's. Domestic sales of corn sugar (dextrose) and corn sirup were a little higher in the first 5 months of 1967 than in the same period of 1966.

Retail prices for corn flakes averaged 7 percent above a year earlier during first-half 1967. Prices for corn flakes have generally trended upward; however, this increase is much larger than usual.

Sugar Use Steady

Per capita consumption of refined sugar used in all products rose significantly--about 1½ pounds--in 1966. This increase followed essentially stable consumption during most recent years, when use of corn and non-caloric sweeteners rose consistently.

Sugar deliveries for domestic use fell short of a year earlier during the first 7 months of 1967, due to smaller deliveries of beet sugar.

Total per capita use of sugar this year is not likely to differ much from the 1966 level. Confectionery and soft drink industries are expecting a significant increase in sales this year. They likely will provide growing markets for sugar, despite increased use of noncaloric sweeteners. Sales of presweetened breakfast cereals also are expected to rise. However, lower fruit production may cut processing demand for sugar and other sweeteners.

Retail sugar prices in first-half 1967 averaged 2 percent above a year earlier. Wholesale price quotations were unchanged from the first of the year through May. However, they were raised in selected areas in June and July.

Use of Cocoa Products Steady

Despite higher prices for cocoa and chocolate products this year, per capita use apparently is holding stable

at the 1966 level. Retail chocolate bar prices in first-half 1967 averaged about a tenth above a year earlier, accomplished primarily by reducing the weight of the bar without changing the price. Cocoa bean prices in first-half 1967 averaged 20 percent above the same year-earlier period. Cocoa bean supplies for the balance of the year appear sufficiently large to limit any sizeable change in cocoa prices in the second half year.

The domestic cocoa bean grind during 1967 is expected to total about the same as a year earlier, although imports of cocoa powder are increasing.

Increased use of cocoa and chocolate products in recent years stems mostly from an increase in per capita consumption of candy. Over 4/5 of the total use of cocoa and chocolate products is by the confectionery industry. Candy consumption averaged 19.0 pounds per capita in 1966, up from 18.2 pounds in 1965.

Coffee Prices Lower

Retail prices for regular coffee in first-half 1967 averaged 4 percent below a year earlier, and prices for instant coffee averaged 1 percent lower. However, prices for green coffee beans were generally stronger in the second quarter. Stabilizing effects of actions by the International Coffee Organization likely will prevent price declines for green beans in the second half. As a result, no further weakening in retail coffee prices is likely in the second half year.

Per capita coffee consumption in first-half 1967 was about the same as a year earlier. Coffee roastings totaled about the same, but imports of coffee beans were well below the same period in 1966. As a result, stocks were worked lower. Imports of instant coffee increased sharply this year even though they continue to account for only a small part of total coffee imports.

For the year, per capita consumption of coffee is not expected to differ much from the 14.5 pounds (green bean equivalent) consumed in 1966, following 4 years of decline from the level of 15.9 pounds in 1962. About a fifth of total coffee consumption will be in the form of instant coffee. This proportion has changed little since about 1960.

SUPPLY AND USE OF FARM FOOD COMMODITIES 1/

Marketings of several farm food products are showing a marked pickup in 1967 (table 1). Preliminary estimates for U.S. farm food production for this calendar year show an increase of 6 to 9 percent over 1966 (table 9). This is in contrast to the slight decline in food production experienced last year. In the first half of 1967, livestock output was up more than indicated marketings of food crop. Nevertheless, tenative production prospects for the year as a whole are for about a 2 to 2½ percent increase for livestock food commodities and perhaps 7 percent or more for food crops, provided that weather remains favorable during the remainder of 1967.

Domestic civilian food consumption is increasing at about the same rate in 1967 as in 1966. However, declines are indicated for exports of several major food crops as well as for nonfood use. Increased production and decreased total use will probably result in inventory accumulation of food commodities that may bring yearend stocks near the level of the end of 1965.

LIVESTOCK FOOD COMMODITIES

Production Higher

While livestock food marketings in the first half of 1967 were up considerably over the like period last year, the gains in marketings likely will narrow and by late 1967 may run below a year earlier.

Hog production in the first half of 1967 was about 15 percent ahead of January-June 1966. Although production late in the year is expected to drop below a year earlier, a big increase in output is indicated for 1967. However, for cattle and calves, production increases in 1967 are likely to be only about half as large as the gains recorded last year (table 6).

Production of chickens and turkeys in 1967 is expected to be higher than a year earlier, although the increases are likely to be smaller than in 1966. A sizable increase is indicated in egg production for this year.

The 3 percent decline in dairy production in 1966 is not likely to be repeated in 1967. Price strength for dairy products this year likely will keep output near 1966 levels.

Imports Stable

The sharp gains in imports of meat and dairy products in 1966 are not expected to be duplicated in 1967. Import levels likely will remain near 1966 levels for most products.

Dairy imports, which in 1966 were up nearly 3 times the 1965 level, will likely average around the 1966 level for this year as a whole; but new quotas for dairy products, effective July 1, should cut imports in the second half year well below a year earlier.

Consumption Up Again

Civilian food consumption, which generally accounts for over 90 percent of the total use of livestock food commodities this calendar year, is expected to increase about as much as in 1966. Most of the increase in meat consumption this year is for pork although beef consumption is also likely to rise slightly. Last year, most of the gain was due to rising beef consumption. Rising consumption of both chicken and turkey are contributing to the increase for total livestock products, but lower consumption of dairy products will be partly offsetting.

1/ Food commodities are defined to include most commodities with any direct food use; excludes such nonfood commodities as wool, cotton, tobacco, and hay, but includes such commodities as feed grains.

Table 9.--Farm food: Supply-utilization indexes by component and relationship of components to total net utilization, 1947-67 1/

Year	Supply			Total annual net utilization	Utilization				
					Domestic use				Exports and shipments 7/
					Food		Net nonfood 6/	Total	
	Net production 2/	Net imports 3/	Stocks 4/		Civilian	Military 5/			
	A.--Index, 1957-59=100								
1947	81.9	78.7	64.2	86.1	85.5	181.3	113.8	88.2	65.1
1948	86.4	82.8	59.3	82.9	83.2	211.2	114.9	86.6	44.6
1949	81.8	86.1	72.3	83.6	84.2	211.2	97.8	86.9	49.8
1950	82.6	88.3	75.0	84.5	86.4	110.3	113.5	87.7	51.0
1951	81.5	88.8	78.0	87.6	85.9	218.7	108.2	89.0	73.0
1952	86.9	87.0	71.6	87.9	88.7	163.4	94.5	90.2	64.0
1953	88.7	93.0	75.4	89.4	91.2	151.9	99.1	92.5	57.2
1954	91.0	84.0	81.2	90.4	92.4	127.6	93.9	93.1	62.5
1955	94.9	88.5	87.0	95.1	96.3	110.8	103.4	96.8	77.9
1956	98.6	92.7	91.4	99.9	99.3	112.4	105.2	99.8	100.8
1957	98.2	93.1	93.7	99.3	98.9	101.8	99.7	98.9	103.1
1958	101.3	96.6	96.7	98.2	98.8	99.8	98.1	98.8	92.1
1959	100.5	110.3	109.6	102.5	102.3	98.4	102.2	102.3	104.8
1960	104.9	104.8	114.6	104.7	103.5	94.2	97.2	103.1	120.3
1961	103.7	111.9	122.3	107.4	105.6	103.8	97.5	105.3	129.1
1962	104.7	112.4	123.2	109.8	107.1	108.5	100.0	106.9	140.0
1963	109.8	113.4	120.7	113.9	110.1	107.2	103.6	109.8	156.7
1964	111.7	102.6	119.8	118.5	112.7	115.5	105.2	112.5	181.1
1965	116.2	101.1	109.5	117.9	112.7	130.8	104.0	112.7	170.9
1966 8/	115.2	109.5	109.8	121.1	114.9	138.9	109.3	115.1	183.3
1967 9/	123.3	109.4	102.7	121.6	117.6	142.9	108.1	117.7	161.6
	B.--Percentage of total annual net utilization								
1947	87.1	10.4	2.5	100.0	85.7	3.4	4.2	93.3	6.7
1948	95.4	11.4	-6.8	100.0	86.7	4.1	4.4	95.2	4.8
1949	89.6	11.8	-1.4	100.0	86.9	4.0	3.8	94.7	5.3
1950	89.5	12.0	-1.5	100.0	88.2	2.1	4.3	94.6	5.4
1951	85.2	11.6	3.2	100.0	84.6	4.0	4.0	92.6	7.4
1952	90.6	11.3	-1.9	100.0	87.1	3.0	3.5	93.6	6.4
1953	90.9	11.9	-2.8	100.0	88.0	2.7	3.6	94.3	5.7
1954	92.2	10.6	-2.8	100.0	88.3	2.3	3.3	93.9	6.1
1955	91.4	10.6	-2.0	100.0	87.4	1.9	3.5	92.8	7.2
1956	90.4	10.6	-1.0	100.0	85.9	1.8	3.4	91.1	8.9
1957	90.6	10.7	-1.3	100.0	85.9	1.7	3.2	90.8	9.2
1958	94.4	11.3	-5.7	100.0	86.9	1.6	3.2	91.7	8.3
1959	89.8	12.3	-2.1	100.0	86.2	1.6	3.2	91.0	9.0
1960	91.8	11.4	-3.2	100.0	85.4	1.4	3.0	89.8	10.2
1961	88.4	11.9	-.3	100.0	84.9	1.6	2.9	89.4	10.6
1962	87.3	11.7	1.0	100.0	84.2	1.6	2.9	88.7	11.3
1963	88.3	11.4	.3	100.0	83.4	1.5	2.9	87.8	12.2
1964	86.3	9.9	3.8	100.0	82.0	1.6	2.9	86.5	13.5
1965	90.3	9.8	-.1	100.0	82.6	1.8	2.8	87.2	12.8
1966 8/	87.1	10.3	2.6	100.0	81.9	1.8	2.9	96.6	13.4
1967 9/	92.8	10.3	-3.1	100.0	83.4	1.9	2.9	88.2	11.8

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis since 1962. Includes essentially all commodities having any food use in the United States. Livestock: Red meats, poultry, eggs, milk fat and nonfat solids, and honey. Crops: Food and feed grains, sugar crops, citrus and noncitrus fruit, bananas, tree nuts, potatoes, sweetpotatoes, vegetables, dry beans and peas, cowpeas, popcorn, mustard seed, cocoa, coffee, tea, olives, copra, and major oilseeds. 2/ Meat production includes carcass weight of commercial and farm slaughter; does not include change in live animal inventory. 3/ Includes shipments from U.S. Territories. 4/ Farm, commercial, and Government program holdings; excludes live animal inventory. Section A: Jan. 1; derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes: Negatives indicate stock increases; positives signify withdrawals. 5/ Includes civilian feeding in occupied areas. 6/ Excludes feed and seed. 7/ Includes shipments to U.S. Territories. 8/ Preliminary. 9/ Preliminary estimate. Note: 1966 and 1967 include some Census revisions.

Exports Unchanged

Exports accounted for only about 2½ percent of total annual use of livestock commodities in 1966 and little change is likely in calendar 1967. However, exports of pork may be larger this year, though exports of chicken and dairy products are likely to decline.

Inventories Rising

Stocks of manufactured dairy products are likely to increase appreciably this year if utilization contines to decline. Some increases in chicken and egg stocks also are indicated. However, total stocks of livestock commodities will not be unusually large in relation to total supplies of these products.

CROP FOOD COMMODITIES

Production Climbing

Preliminary estimates indicate that production of wheat, corn, soybeans, and citrus fruits each are contributing importantly to the increase in crop food production in 1967 (table 6). Vegetable production also is expected to rise moderately. These increases are expected to be partly offset by a decline for non-citrus fruits. Relatively minor changes are indicated for most other crops.

Imports Stable

In contrast to an increase of 4 percent in crop food imports in 1966, imports are expected to show little or no rise in this calendar year. Sugar imports are expected to exceed 1966 levels, but coffee imports may be down slightly.

Consumption Rising

With a continued rise in consumer disposable incomes and relatively stable prices, consumption of crop foods in 1967 may rise by 2 to 3 percent over 1966. This increase is slightly greater than the average over the past 10 years. Most of the increase will probably be accounted for by processed fruits and vegetables (table 5).

Domestic civilian food consumption is expected to account for only about 45 percent of the total direct use of crop food commodities in 1967, slightly more than in 1966. Of course, much more of these products ultimately are used for food after conversion into livestock products.

Exports Down

Although exports accounted for about 20 percent of total annual utilization in calendar year 1966, 1967 crop food exports may not reach the high levels of 1966. Exports of wheat and corn are likely to be down appreciably on a calendar-year basis. Some pick-up in exports of soybeans, soybean products, and rice is expected to compensate for part of these declines.

Stocks Rising

The indicated increase in crop food production, in conjunction with some reduction in nonfood uses and exports, likely will result in larger stocks of food crop commodities by the end of calendar year 1967. Increased stocks likely will consist primarily of wheat and corn, but soybean stocks may be larger too.

The National Food Situation is published in January, May, August and November.

The next issue is scheduled for release November 1964.

Table 10.--Wholesale Price Indexes, selected items, 1947-67

Year and month	Farm products			Processed foods and feeds														
		Fresh and dried fruits and vegetables 1/	Total 2/	Meats			Poultry	Fish	Dairy	Processed fruits and vegetables 1/	Vegetable oil end products	Cereal and bakery products	Sugar and confectionery	Beverages 3/	Total 4/	All food 5/	Industrial commodities 6/	All commodities
	Eggs			Beef and veal	Pork	Total												
1947-49	133.6	94.3	109.2	97.1	112.6	100.9	174.3	80.5	88.6	93.0	123.5	84.8	87.2	75.3	93.9	94.4	79.0	84.2
1950	113.4	86.1	106.4	106.8	98.3	103.6	148.5	80.7	84.0	92.8	101.8	83.9	85.1	83.5	93.2	93.0	82.9	86.8
1951	144.2	91.7	123.8	128.4	103.8	120.2	163.5	86.3	95.4	98.1	120.0	90.6	92.2	89.0	103.5	104.1	91.5	96.7
1952	128.0	113.4	116.8	122.3	101.6	110.8	149.8	85.7	100.6	97.6	98.7	90.6	94.8	90.8	102.3	102.7	89.4	94.0
1953	141.2	94.6	105.9	89.6	111.8	93.0	144.6	85.2	97.9	97.3	103.3	92.8	95.3	92.4	97.6	98.5	90.1	92.7
1954	106.7	93.5	104.4	88.0	115.9	92.4	121.4	85.2	94.0	97.2	105.0	96.5	98.0	102.9	99.3	97.7	90.4	92.9
1955	114.6	98.1	97.9	85.7	94.0	83.5	128.0	84.9	94.0	98.1	100.6	98.5	96.3	99.1	95.0	95.3	92.4	93.2
1956	109.4	98.2	96.6	82.3	87.8	79.8	108.4	91.9	96.2	100.4	105.4	97.6	95.7	101.5	94.8	95.2	96.5	96.2
1957	103.2	97.7	99.2	87.9	102.5	91.9	101.5	96.2	98.9	96.6	106.3	99.1	98.9	101.6	97.6	98.1	99.2	99.0
1958	109.2	105.6	103.6	105.3	108.3	108.9	102.2	103.5	99.8	102.0	102.3	99.9	100.8	99.4	102.5	103.3	99.5	100.4
1959	87.6	96.8	97.2	106.8	89.2	99.2	96.3	100.3	101.3	101.4	91.4	101.1	100.4	99.0	99.9	98.5	101.3	100.6
1960	103.2	100.6	96.9	100.6	91.0	96.8	99.9	102.0	105.0	99.5	90.5	103.2	101.8	98.8	100.0	100.0	101.3	100.7
1961	99.0	93.7	96.0	97.0	93.9	95.1	85.8	107.9	107.5	101.7	102.7	105.1	101.2	98.6	101.6	100.0	100.8	100.3
1962	95.2	97.7	97.7	103.2	94.1	97.8	90.2	119.2	106.9	98.0	97.3	107.6	102.2	99.0	102.7	100.6	100.8	100.6
1963	94.0	96.1	95.7	95.7	88.3	91.5	88.6	112.0	107.5	103.9	88.2	107.3	118.4	100.9	103.3	100.4	100.7	100.3
1964	90.8	103.2	94.3	90.5	88.3	89.0	87.4	107.4	107.8	104.8	89.7	107.8	111.8	106.2	103.1	100.8	101.2	100.5
1965	93.5	101.8	98.4	95.6	108.2	100.8	90.9	112.8	108.5	102.1	101.2	109.0	109.0	105.7	106.7	104.5	102.5	102.5
1966	107.9	102.5	105.6	104.1	117.5	109.9	97.3	127.2	118.5	104.8	104.6	115.4	110.5	105.8	113.0	110.7	104.7	105.9
January	99.8	97.5	104.5	101.0	130.9	113.6	95.3	124.5	110.9	104.7	99.5	111.8	109.4	105.8	111.5	108.9	103.5	104.6
February	116.3	98.0	107.4	104.4	131.2	116.0	99.1	123.2	113.0	105.2	102.5	112.1	110.1	105.7	113.0	110.8	103.8	105.4
March	118.5	101.7	106.8	108.3	117.4	112.8	103.6	126.7	115.0	104.8	103.0	112.2	109.7	105.7	112.2	110.9	104.0	105.4
April	101.8	111.0	106.4	109.4	109.7	110.5	99.7	126.5	114.8	104.8	102.5	112.6	109.3	105.7	111.5	110.2	104.3	105.5
May	86.9	103.3	104.5	104.8	116.8	109.8	102.9	126.9	114.9	105.4	101.9	113.0	109.3	105.7	111.8	109.1	104.7	105.6
June	90.9	99.7	104.2	102.8	115.8	108.6	102.5	127.2	116.5	104.9	101.9	114.0	109.4	106.1	112.0	109.0	104.9	105.7
July	98.5	107.0	107.8	101.3	119.0	108.5	102.3	129.7	119.8	104.5	103.8	115.5	109.8	106.3	113.8	110.9	105.2	106.4
August	108.6	97.7	108.1	104.1	120.6	110.5	98.9	129.5	124.0	102.3	108.7	118.9	110.9	106.4	115.7	112.4	105.2	106.8
September	128.0	110.4	108.7	106.5	120.8	111.9	97.5	131.4	124.2	103.7	110.4	118.9	111.4	105.6	115.5	114.0	105.2	106.8
October	114.7	97.9	104.4	103.5	113.8	108.0	89.0	131.3	124.5	105.7	108.2	118.7	111.6	105.6	113.9	111.3	105.3	106.2
November	121.8	104.2	102.5	100.5	105.7	103.4	91.8	125.0	122.6	105.9	106.8	118.7	112.1	105.6	112.6	110.6	105.5	105.9
December	109.0	101.3	101.8	102.0	108.8	104.9	84.7	125.0	122.3	105.8	106.3	118.0	112.6	105.8	112.8	109.8	105.5	105.9
1967																		
January	100.0	101.8	102.6	103.0	108.1	105.0	89.0	129.1	121.8	105.9	106.3	117.6	113.0	105.8	112.8	109.5	105.8	106.2
February	84.0	104.5	101.0	101.9	103.2	102.8	95.9	131.0	121.2	104.3	103.5	117.3	112.6	105.9	111.7	108.5	106.0	106.0
March	90.8	98.4	99.6	100.9	97.7	100.4	90.3	127.0	120.7	104.2	101.8	117.5	112.5	105.6	110.6	107.3	106.0	105.7
April	77.0	99.6	97.6	101.7	94.0	99.3	87.3	128.0	120.1	104.3	101.6	117.2	111.8	105.9	110.0	106.4	106.0	105.3
May	74.5	104.4	100.7	102.4	106.0	103.8	86.5	125.7	120.8	105.1	101.6	117.4	112.0	106.0	110.7	107.8	106.0	105.8
June	76.0	114.3	102.4	107.2	113.7	109.5	86.8	124.7	122.2	106.5	101.6	117.2	112.7	106.3	112.6	110.3	106.0	106.3
July																		
August																		
September																		
October																		
November																		
December																		
	Seasonally adjusted																	
1967																		
January	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
February	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
March	87.8	95.4	99.2	---	---	---	---	---	121.1	104.0	100.2	117.7	113.0	105.9	111.0	---	---	---
April	86.4	92.0	97.3	---	---	---	---	---	120.8	103.9	101.1	117.1	111.4	106.1	110.8	---	---	---
May	89.3	98.4	101.5	---	---	---	---	---	122.4	105.0	101.9	117.8	112.3	106.1	111.6	---	---	---
June	87.4	110.4	103.9	---	---	---	---	---	123.4	106.2	102.5	117.4	113.5	106.2	113.1	---	---	---
July																		
August																		
September																		
October																		
November																		
December																		

1/ Includes potatoes. 2/ In addition to items listed separately, includes grains, livestock, live poultry, plant and animal fibers, milk, hay, hayseeds, oilseeds, and other farm products such as coffee beans, cocoa beans and tobacco. 3/ Includes alcoholic beverages. 4/ Includes animal fats and oils, crude and refined vegetable oils, manufactured animal feed, and miscellaneous processed foods in addition to items listed separately. 5/ All food includes all processed foods (omitting alcoholic beverages and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables from the farm products group. 6/ Formerly titled "All commodities other than farm products and processed foods." Prior to 1967, includes manufactured animal feeds and alcoholic beverages.

Bureau of Labor Statistics.

Table 11.--Retail price indexes and Consumer Price Index, selected periods
(1957-59=100)

Year and month	Food at home																
	Meats			Poultry 2/	Fish	Eggs	Dairy products 3/	Fats and oils 4/	Fruits and vegetables			Cereal and bakery products	Sugar and sweets	Beverages	Total	Food away from home	All food	Consumer Price Index
	Beef and veal	Pork	Total 1/						Fresh	Processed	Total							
1935-39:	36.5	43.2	37.8	68.7	28.9	60.3	45.9	65.4	37.3	50.2	39.6	45.6	48.3	27.5	42.6	5/	41.9	48.7
1947-49:	86.8	92.8	86.7	132.5	86.4	122.7	88.3	117.9	78.4	88.6	80.9	75.5	85.4	56.1	86.1	5/	84.7	81.5
1950	97.0	87.8	91.4	126.1	89.0	104.7	84.7	94.2	76.6	81.7	79.0	78.8	86.9	85.9	87.1	5/	85.8	83.8
1951	113.3	93.1	103.6	132.1	101.6	127.4	94.5	110.3	83.1	92.4	86.3	86.0	90.1	94.7	96.9	5/	95.4	90.5
1952	112.4	92.1	102.6	132.6	99.0	116.3	98.5	93.5	96.6	91.0	94.8	88.1	90.9	95.3	98.6	5/	97.1	92.5
1953	88.6	102.5	95.8	129.3	95.3	123.2	96.8	93.9	91.1	93.2	91.8	89.8	91.9	97.9	96.8	89.3	95.6	93.2
1954	85.3	105.7	95.3	116.7	95.8	103.1	93.7	98.9	89.3	92.6	90.5	91.9	93.8	116.3	96.3	90.9	95.4	93.6
1955	84.4	91.0	87.7	121.5	93.9	106.5	93.6	95.9	91.0	93.4	91.8	93.4	95.8	104.2	94.4	91.8	94.0	93.3
1956	83.1	86.4	84.8	106.5	93.8	105.9	96.0	98.0	96.3	96.3	96.3	94.7	93.6	108.9	94.8	93.6	94.7	94.7
1957	89.2	99.5	94.2	103.8	95.0	100.9	98.8	102.4	97.0	94.2	96.0	98.4	96.3	108.1	97.9	97.1	97.8	98.0
1958	103.8	106.1	104.9	102.6	101.6	106.1	100.3	101.2	104.0	100.8	102.8	100.4	100.7	100.5	102.2	100.0	101.9	100.7
1959	106.9	94.4	101.0	93.5	103.4	92.9	101.0	96.5	99.1	105.0	101.2	101.2	102.9	91.3	99.7	102.8	100.3	101.5
1960	104.2	93.8	99.2	95.0	103.5	100.1	103.2	92.1	105.2	101.4	103.8	103.2	103.4	90.7	100.6	105.5	101.4	103.1
1961	102.5	98.2	100.5	85.8	105.8	100.1	104.8	98.6	103.5	105.6	104.2	105.4	101.4	90.7	101.5	107.8	102.6	104.2
1962	106.2	99.1	102.5	90.7	110.2	94.6	104.1	98.5	106.3	102.6	105.0	107.6	101.4	89.3	102.2	110.7	103.6	105.4
1963	105.0	96.6	100.9	89.3	110.0	96.0	103.8	95.7	112.6	108.3	111.0	109.1	110.1	90.4	103.5	113.2	105.1	106.7
1964 6/	101.9	96.1	99.4	87.3	107.4	95.0	104.7	95.4	119.2	110.8	115.3	109.6	115.5	101.4	104.7	115.2	106.4	108.1
1965	106.8	109.4	106.9	90.0	110.6	92.8	105.0	102.9	121.7	107.3	115.2	111.2	113.5	100.6	107.2	117.8	108.8	109.9
1966	112.4	125.1	116.8	94.9	117.8	105.7	111.8	107.2	123.9	109.9	117.6	115.8	111.3	100.0	112.6	123.2	114.2	113.1
Jan.	109.4	130.9	116.6	90.2	112.0	105.0	106.6	103.4	112.5	110.3	111.3	113.0	111.0	99.2	109.8	120.4	111.4	111.0
Feb.	111.4	133.2	118.8	97.5	113.1	109.1	107.0	103.9	121.5	110.6	116.5	113.2	110.6	99.2	111.8	120.8	113.1	111.6
Mar.	113.9	131.7	119.8	99.2	114.7	108.5	108.1	105.4	122.8	110.8	117.4	113.6	110.8	99.3	112.6	121.2	113.9	112.0
Apr.	115.1	124.6	118.1	98.8	116.1	105.9	108.9	106.2	127.1	111.0	119.8	114.1	110.8	99.8	112.7	121.6	114.0	112.5
May	113.3	121.6	116.3	95.9	118.2	98.8	109.3	107.1	126.3	110.6	119.2	114.3	111.0	100.2	112.0	122.2	113.5	112.6
June	112.8	123.9	116.6	96.3	118.0	89.1	109.6	106.9	131.1	110.1	121.7	114.7	110.6	100.8	112.3	122.8	113.9	112.9
July	112.2	125.0	116.6	97.1	118.5	93.9	111.0	106.9	131.2	109.6	121.5	114.8	110.7	100.8	112.7	123.5	114.3	113.3
Aug.	112.3	125.9	116.9	96.5	119.6	110.5	114.8	107.5	132.4	109.6	122.3	117.3	110.9	100.9	114.4	124.0	115.8	113.8
Sept.	112.7	126.4	117.2	95.9	120.3	111.8	116.0	108.6	122.5	109.4	116.6	118.4	111.3	100.6	114.0	124.6	115.6	114.1
Oct.	112.8	123.8	116.6	92.3	120.2	116.1	117.1	110.4	120.6	109.0	115.3	118.3	111.5	99.8	113.8	125.2	115.6	114.5
Nov.	111.4	119.1	114.5	89.8	121.1	107.9	116.7	110.2	120.0	108.8	114.9	118.6	112.7	99.5	112.8	125.7	114.8	114.6
Dec.	111.9	114.9	113.4	89.2	121.9	111.9	116.5	110.3	118.9	109.0	114.3	118.8	113.3	99.7	112.6	126.3	114.8	114.7
1967																		
Jan.	110.9	114.9	112.8	87.4	123.1	106.6	116.4	110.1	120.7	108.9	115.3	118.8	113.4	99.6	112.3	127.0	114.7	114.7
Feb.	111.8	113.6	112.9	90.5	122.1	91.4	116.1	109.6	119.4	107.9	114.2	118.5	113.5	99.8	111.7	127.4	114.2	114.8
Mar.	111.4	112.1	112.0	89.9	122.6	92.6	115.7	108.9	121.5	107.5	115.2	118.6	113.3	99.0	111.5	127.7	114.2	115.0
Apr.	110.5	109.9	110.8	89.7	122.8	86.8	115.7	108.4	120.0	107.3	114.2	118.5	114.2	98.9	110.8	128.3	113.7	115.3
May	110.0	109.0	110.2	89.5	122.4	82.3	115.9	107.9	124.0	107.1	116.4	118.8	114.1	99.1	110.9	128.7	113.9	115.6
June	112.7	118.9	114.7	87.0	121.1	78.4	116.3	107.6	129.8	107.5	119.9	118.3	114.5	99.0	112.3	129.1	115.1	116.0
	Seasonally adjusted 7/																	
1966																		
Jan.	108.5	132.8	116.8	90.3	111.6	101.1	105.9	---	116.7	---	113.9	---	---	---	110.0	---	111.6	---
Feb.	110.7	135.4	119.4	97.8	112.4	106.4	106.7	---	123.4	---	117.7	---	---	---	111.8	---	113.1	---
Mar.	114.1	135.4	121.3	100.0	114.7	111.4	108.0	---	122.9	---	117.4	---	---	---	112.9	---	114.2	---
Apr.	116.0	128.9	119.9	100.9	116.0	109.9	109.4	---	123.8	---	117.7	---	---	---	113.2	---	114.3	---
May	114.7	125.2	118.7	98.7	118.1	109.2	110.2	---	120.1	---	115.3	---	---	---	112.6	---	114.0	---
June	115.2	126.2	118.7	96.3	118.1	100.9	110.7	---	121.4	---	115.8	---	---	---	112.4	---	114.0	---
July	113.3	122.3	116.3	97.2	118.7	101.6	111.6	---	118.4	---	113.9	---	---	---	111.3	---	113.2	---
Aug.	112.0	120.7	114.9	98.0	120.0	113.4	114.9	---	131.0	---	121.4	---	---	---	113.9	---	115.5	---
Sept.	111.6	120.3	114.5	96.5	120.9	101.9	115.8	---	129.2	---	121.0	---	---	---	113.7	---	115.3	---
Oct.	111.7	120.5	114.5	93.0	120.7	105.2	116.4	---	129.0	---	120.4	---	---	---	113.8	---	115.6	---
Nov.	110.3	118.7	113.8	89.1	121.1	101.3	116.0	---	127.8	---	119.6	---	---	---	113.3	---	115.1	---
Dec.	111.0	116.3	113.4	89.4	121.9	106.6	115.7	---	124.2	---	117.5	---	---	---	112.9	---	115.0	---
1967																		
Jan.	110.6	115.1	112.7	86.9	122.6	103.4	115.8	---	126.4	---	118.5	---	---	---	112.5	---	114.9	---
Feb.	111.5	114.3	112.8	88.5	121.4	88.8	115.9	---	120.0	---	114.4	---	---	---	111.4	---	114.0	---
Mar.	111.4	113.8	112.8	88.1	122.7	93.3	115.6	---	120.9	---	114.7	---	---	---	111.6	---	114.3	---
Apr.	111.1	113.7	112.1	88.4	122.7	88.5	116.3	---	116.6	---	112.1	---	---	---	110.9	---	113.9	---
May	111.0	113.8	112.3	90.6	122.3	90.1	116.6	---	119.5	---	113.5	---	---	---	111.5	---	114.5	---
June	114.9	120.6	116.6	85.6	121.1	89.6	117.4	---	121.6	---	115.1	---	---	---	112.6	---	115.3	---

1/ Beef, veal, lamb and mutton, pork, and processed meat. 2/ Unadjusted index includes turkey beginning 1964; seasonally adjusted indexes are for frying chicken only. 3/ Includes butter. 4/ Excludes butter. After December 1963 computed by Economic Research Service using data for items additional to those in the CPI. 5/ Data not collected prior to 1953. 6/ Revised beginning January 1964; for first time item selection and quantity weights reflect the buying pattern of one-person families. 7/ Discussed in "Seasonally Adjusted Retail Food Price Indexes," by Stephen J. Hiemstra. National Food Situation, NFS-117, August 1966 (Reprinted as ERS-311.)

Bureau of Labor Statistics.

U.S. Department of Agriculture
Washington, D.C. 20250

OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U.S. Department of Agriculture

NOTICE
If you no longer need this publication, check here ☐ return this sheet, and your name will be dropped from the mailing list.

If your address should be changed, write the new address on this sheet and return the whole sheet to:

Division of Administrative Services (ML)
Office of Management Services
U.S. Department of Agriculture
Washington, D.C. 20250

GW04005AIN18006JM272A1SA 0001
JM GWIN

72 FREDERICK LANE
ST LOUIS MO 63122

NFS-121

AUGUST 1967

LIST OF TABLES

Table	Title	Page
1	Volume of farm marketings and home consumption	2
2	Food consumption per capita	2
3	Consumer, wholesale, and farm price indexes, 1965-67	10
4	Retail food price indexes, selected countries, 1960-66, and Consumer Price Index, 1966	12
5	Civilian per capita consumption of major food commodities, average 1957-59, annual 1960-67	14
6	Production of major food commodities, average 1957-59, annual 1960-67	15
7	Livestock products: Per capita civilian consumption, by quarters 1955-67	16
8	Military food procurement: Selected periods, 1964-67	18
9	Farm food: Supply-utilization indexes by component and relationship to total annual net utilization, 1947-67	26
10	Wholesale Price Index, selected items, 1947-67	28
11	Retail food price indexes and Consumer Price Index, selected periods	29

LIST OF CHARTS

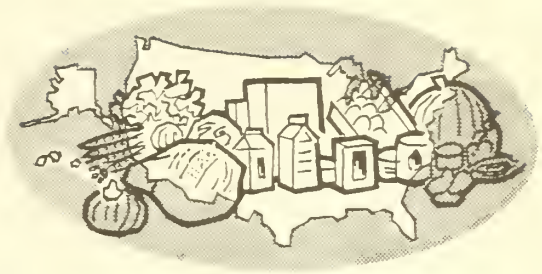
Figure		Page
	Consumer Prices: Selected Indexes	Cover
1	Food Expenditures and Income	5
2	Retail Food Store Sales	6
3	Total Retail Store Sales	6
4	Retail Food Price Seasonality	8
5	Food and Farm Product Prices	8
6	Production of Processed Foods	13
7	Retail Food Prices: Selected Livestock Products	19
8	Per Capita Food Consumption: Selected Livestock Products	19
9	Retail Food Prices: Selected Crop Products	20
10	Per Capita Food Consumption: Selected Crop Products	20

☆ U.S. GOVERNMENT PRINTING OFFICE: 1967 301-750 (ERS-22)

1.941
S2F73

1968 OUTLOOK ISSUE

NATIONAL FOOD SITUATION

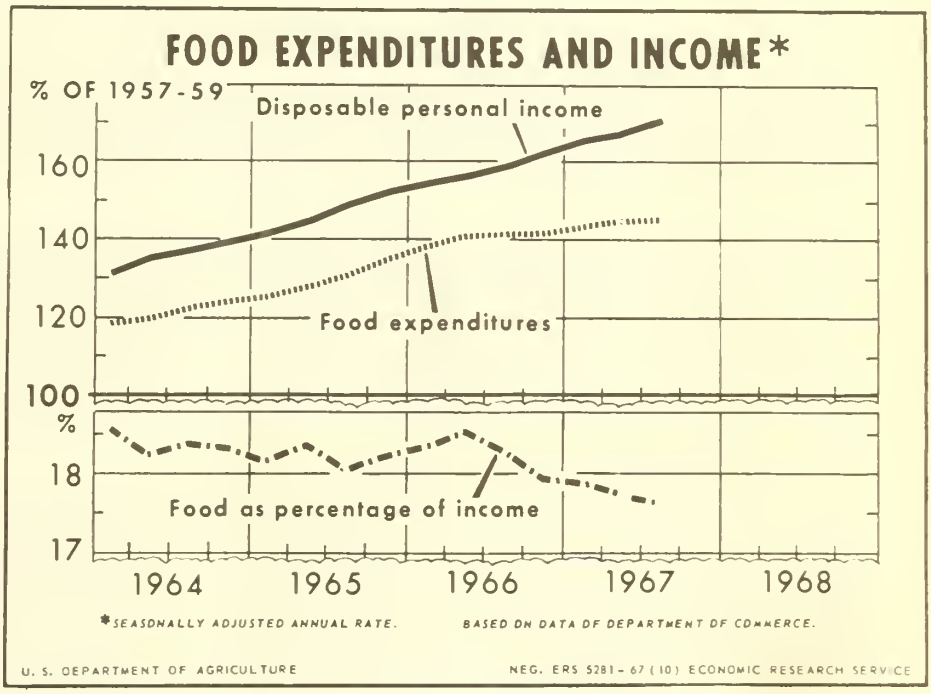


NFS-122

For P.M. Release, November 15, 1967

Food expenditures are totaling around $96-1/2 billion in 1967, about 4 percent more than in 1966. The gain is not as great as the 7-percent rise in disposable income. As a result, the percentage of income being spent for food this year is declining to about 17.7 percent, compared with 18.3 percent in 1966.

Food expenditures in 1968 likely will increase at about the same rate as in 1967, but the percentage of income going for food probably will remain around the 1967 level.



IN THIS ISSUE

Expenditures For Food Away From Home

Nutritional Review

Household Use of Food, 1955-65

Published quarterly by
ECONOMIC RESEARCH SERVICE • U. S. DEPARTMENT OF AGRICULTURE

Table 1.--Volume of farm marketings and home consumption 1/

Item	1947-49 average	1960	1961	1962	1963	1964	1965	1966	1967 indications 2/	1967 as a percentage of 1947-49	1967 as a percentage of 1966
										Percent	Percent
Marketings and home consumption of all farm commodities	86	107	108	109	114	116	116	118	121	141	103
Food marketings and home consumption	87	104	107	107	111	113	115	117	121	139	103
Food marketings	82	105	109	109	113	116	118	120	125	152	104
Total food livestock 3/	79	104	108	110	114	118	118	121	124	157	102
Meat animals	81	105	108	110	116	121	121	124	128	158	103
Poultry and eggs	66	105	113	113	116	121	126	134	141	214	105
Dairy products	84	102	106	107	107	110	108	105	105	125	100
Total food crops 4/	98	108	110	107	110	110	116	118	127	130	108
Food grains 5/	102	117	114	102	111	109	120	122	138	135	113
Vegetables 6/	91	104	109	110	110	107	108	112	116	127	104
Fruit and nuts 7/	92	99	103	107	101	106	112	114	118	128	104
Sugar crops	78	105	115	117	152	155	144	140	137	176	98
Home consumption	161	87	81	75	73	66	60	55	52	32	95
Livestock	159	82	75	73	69	63	56	52	49	31	94
Crops	168	98	94	80	83	73	70	62	61	36	98
Nonfood marketings 8/	82	114	110	116	125	125	120	121	121	148	100

1/ Quantities of farm products weighted by average 1957-59 farm prices since 1955, 1947-49 prices in earlier years Excludes Alaska and Hawaii. 2/ Indications for 1967 are based on calendar-year quantities estimated as of October 1, 1967. 3/ Includes honey. 4/ In addition to the crops listed below, includes peanuts, peppermint, popcorn, and spearmint. 5/ Wheat, rye, rice, and buckwheat. 6/ Truck crops for fresh use and processing, potatoes, sweetpotatoes, dry edible beans, dry field peas, mung beans, and melons 1955 to date. 7/ Except peanuts and, beginning 1955, melons. 8/ There are no nonfood items in the home consumption index.

Table 2.--Food consumption per capita 1/

Selected years	Meat	Poultry	Fish	Eggs	Dairy, excluding butter	Fats and oils, including butter	Fruits 2/ Fresh	Fruits 2/ Processed	Fruits 2/ Total	Vegetables 3/ Fresh	Vegetables 3/ Processed	Vegetables 3/ Total	Potatoes and sweetpotatoes	Cereal products	Sugar and sweeteners	Coffee, tea and cocoa	All food Animal products	All food Crops 4/	All food Total
1910	96	49	107	82	70	101	148	14	80	114	24	85	208	149	54	65	87.2	87.0	86.9
1920	90	45	113	81	80	91	154	31	92	119	30	90	163	129	63	79	85.4	87.7	86.2
1930	85	52	97	89	83	113	145	35	89	126	47	100	138	131	85	81	86.3	95.7	89.9
1940	93	52	102	86	87	115	153	57	105	130	57	107	127	120	86	101	91.0	100.7	94.8
1941	94	56	108	84	90	116	161	53	107	129	61	107	134	121	94	104	92.3	103.6	96.7
1942	93	63	84	84	96	112	137	52	94	134	67	112	136	122	83	86	93.5	99.2	95.6
1943	98	78	75	92	96	97	122	45	84	139	61	114	137	135	77	81	96.2	98.7	97.0
1944	103	70	84	94	98	96	146	45	95	147	61	119	145	124	84	96	98.4	103.0	100.1
1945	97	76	94	107	104	91	144	57	101	150	74	126	129	130	69	100	99.4	104.0	101.0
1946	102	70	101	101	110	91	144	78	111	139	83	121	128	128	74	122	101.6	106.6	103.5
1947	102	64	96	104	104	97	149	67	108	127	76	111	126	115	94	108	100.0	103.8	101.4
1948	95	63	101	106	100	95	138	69	104	125	72	108	105	114	89	112	96.0	101.7	98.1
1949	95	67	102	105	99	98	135	73	104	118	75	104	109	113	91	115	96.1	101.5	98.1
1950	95	73	111	108	99	104	120	79	100	114	81	104	105	112	101	103	97.6	102.5	99.4
1951	90	77	106	109	99	94	125	78	102	111	84	103	105	115	94	105	95.8	100.8	97.6
1952	95	80	105	109	100	97	120	88	104	108	88	103	95	113	98	105	98.1	102.1	99.5
1953	102	79	103	106	99	98	113	90	102	106	91	102	100	110	97	107	100.0	101.6	100.5
1954	101	84	104	105	100	102	108	91	101	104	90	100	100	108	99	95	100.2	100.9	100.4
1955	106	79	97	104	101	103	102	98	100	104	96	102	101	102	100	96	101.7	100.4	101.1
1956	108	88	98	103	102	101	103	100	102	103	98	102	97	101	101	101	103.6	100.6	102.3
1957	102	94	97	102	101	99	101	103	102	102	98	101	98	99	98	100	100.6	99.6	100.2
1958	97	101	98	99	100	100	98	97	97	99	101	100	97	101	101	98	98.5	99.4	98.9
1959	101	105	105	99	100	101	101	100	101	98	101	99	105	100	101	102	100.9	101.0	101.0
1960 5/	102	102	98	94	99	99	97	102	99	100	103	101	109	100	102	101	99.7	101.5	100.5
1961	101	112	102	92	98	99	93	99	96	97	104	99	111	99	102	102	99.9	100.7	100.3
1962	102	110	101	92	98	100	89	103	95	94	109	99	113	98	103	103	100.2	100.7	100.4
1963	105	112	102	89	98	101	80	94	87	94	109	99	118	97	103	106	101.4	100.3	100.9
1964	108	114	99	89	98	103	85	91	88	93	111	98	121	98	103	103	102.8	100.8	101.9
1965	104	122	103	88	98	102	87	96	92	93	116	99	127	98	103	100	101.1	102.0	101.5
1966	106	131	100	88	98	102	88	97	92	93	118	100	138	97	104	101	102.1	103.2	102.6
1967 6/	109	139	101	92	97	101	88	106	96	94	118	101	142	97	104	102	104.2	104.3	104.2

1/ Civilian consumption, beginning 1941. Individual food items are combined in terms of 1947-49 retail prices through 1954, 1957-59 retail prices thereafter; indexes are linked at 1955. 2/ Excluding melons and baby food. 3/ Excluding soups, baby food, dry beans and peas, potatoes, and sweetpotatoes. 4/ Including melons, dry beans and peas, nuts, soups, and baby food in addition to groups shown separately. 5/ 50-State basis beginning 1960. 6/ Preliminary.

NATIONAL FOOD SITUATION

CONTENTS

	Page		Page
Summary	3	Coffee Situation	28
Food Expenditures and Income	4	Nutritional Review	30
Food Prices	7	Grocery Store Sales in 1965-66	36
Food Supplies and Consumption	10	Household Use of Food, 1955-65	38
Food Donations	19	Expenditures for Food Away from Home	42
Foreign Trade	23	List of Tables and Charts	51
Sweetener Situation	23		
Cocoa and Chocolate Situation	28		

SUMMARY

Food expenditures in 1967 are totaling around $96½ billion, up from $93 billion a year earlier. This increase of around 4 percent is much less than the 7-percent rise in consumer income. As a result, the percentage of income spent for food is dropping to around 17.7 percent in 1967.

The outlook for 1968 is for continued expansion of both food expenditures and consumer income. The percentage of income spent for food in 1968 likely will remain near the 1967 level.

Prices for food at retail food stores are averaging about the same in 1967 as a year earlier. Retail prices for all livestock food products this year are averaging about 1 percent lower than in 1966. Prices are averaging substantially lower for eggs, poultry, and pork, but higher for dairy products and fish. Retail prices for food from crops are averaging about 1 percent higher in 1967. Higher prices for potatoes, fresh fruits, sugar and sweets, and cereal and bakery products are more than offsetting lower prices for processed citrus fruits, coffee, and fats and oils.

However, restaurant food prices this year are averaging around 5 percent above the 1966 level. In total, retail food prices in 1967 are averaging about 1 percent above 1966. This rise compares with more than a 3-percent increase for nonfood consumer prices.

Average retail food prices are expected to advance more strongly in 1968 than in 1967. Some increase in prices for farm products is expected to be reflected at retail. In addition, farm-retail margins, which have stabilized so far in 1967, likely will resume their previous advance. Increased costs of marketing inputs and relatively stable retail prices are combining to reduce profit rates of food marketing firms in 1967. However, continued advances expected in prices for marketing inputs may widen farm-retail margins in 1968. The advance in retail food prices in 1968 likely will exceed the 1-percent increase of 2 or 3 percent appears more likely at this time.

Per capita food consumption is increasing about 1½ percent in 1967, with substantial increases for most

livestock and crop products. Dairy products, veal, lamb, deciduous fruits and melons are exceptions.

Consumption is totaling about 1,434 pounds per capita on a retail-weight equivalent basis, up 12 pounds from 1966. In terms of food nutrients, the increase in consumption has contributed to a 3-percent rise in per capita vitamin A value and a 5-percent rise for ascorbic acid.

Part of the rise in food consumption in 1967 is due to an acceleration of both the Direct Food Donation and Food Stamp Programs.

The outlook for 1968 points to an increase in total utilization of farm food commodities about in line with the expected growth in population of 1 percent. Most of this increase is expected to be for crop food products with little change anticipated for livestock commodities. The volume of exports is expected to rise from 1967 levels and military food takings may advance again in 1968.

As a result, civilian food use in total probably will not differ much from consumption in 1967. Some increase may occur among crop commodities, other than for fruit, but total consumption of livestock commodities likely will be near the 1967 level.

FOOD EXPENDITURES AND INCOME

Food expenditures are expected to total $96½ billion this year compared with $93 billion in 1966 (table 3). Expenditures in the third quarter expanded by $1 billion (seasonally adjusted annual rate) over the second quarter, and fourth-quarter expenditures likely are continuing upward.

Retail Sales Edging Upward

Sales by retail food stores in recent months have averaged 1 or 2 percent above a year earlier, although little increase has taken place since March 1967 (seasonally adjusted) (fig. 1). Prices were about the same as a year earlier during the summer. Consequently, all of the increase in sales represents larger volume.

Sales by eating and drinking places began to expand considerably during the third quarter following a period of several months with relatively little increase. August sales were 7 percent above a year earlier, and up 2 percent from July. However, a good part of the increase in sales by eating and drinking places was due to the 5-percent year-to-year increase in prices.

Total retail sales in recent months have averaged around 4 percent above a year earlier, with most of the gain occurring since second-quarter 1967 (fig. 2). Prices for consumer goods have increased consistently in recent months to account for about half of the sales gains. Stepped-up vigor in the general economy likely will result in some acceleration in consumer incomes and purchases in the months ahead. But, the rate and timing of this increase hinges on consumer response to rising prices, work stoppages, and uncertainties regarding possible increases in tax and interest rates. Consumer savings continue at a relatively high rate but they have increased their use of installment credit.

Income Gains Outpace Food Expenditures

Around a 7-percent increase in consumer income in 1967 is overshadowing about a 4-percent increase in food expenditures (cover chart). As a result, the percentage of income spent for food is declining from 18.3 percent in 1966 to about 17.7 in 1967. Consumer incomes

Table 3.--Food expenditures related to disposable income, 1909-67

Year	Disposable personal income		Personal consumption expenditures					U.S. civilian expenditures for foods originating on U.S. farms 3/					
			Total expenditures		Expenditures for food 2/			Civilian expenditures		Farm value		Total marketing bill	
	Total 1/	Per capita	Total 1/	Per capita	Total	Per capita	Percent of disposable personal income	Total	Percent of disposable personal income	Total	Percent of disposable personal income	Total	Percent of disposable personal income
	Bil. dol.	Dol.	Bil. dol.	Dol.	Bil. dol.	Dol.	Pct.	Bil. dol.	Pct.	Bil. dol.	Pct.	Bil. dol.	Pct.
1909	28.5	315	28.5	315	---	---	---	---	---	---	---	---	---
1910	30.2	327	30.2	327	---	---	---	---	---	---	---	---	---
1911	30.8	328	30.2	322	---	---	---	---	---	---	---	---	---
1912	33.0	346	32.4	340	---	---	---	---	---	---	---	---	---
1913	34.8	358	34.0	350	---	---	---	---	---	---	---	---	---
1914	34.7	350	33.3	336	---	---	---	---	---	---	---	---	---
1915	37.0	368	31.8	316	---	---	---	---	---	---	---	---	---
1916	43.4	425	38.8	380	---	---	---	---	---	---	---	---	---
1917	52.2	505	45.1	436	---	---	---	---	---	---	---	---	---
1918	58.3	557	49.5	473	---	---	---	---	---	---	---	---	---
1919	66.3	631	58.8	559	---	---	---	---	---	---	---	---	---
1920	69.7	654	64.5	606	---	---	---	---	---	---	---	---	---
1921	55.1	508	56.3	519	---	---	---	---	---	---	---	---	---
1922	59.6	541	58.0	527	---	---	---	---	---	---	---	---	---
1923	69.0	616	64.5	576	---	---	---	---	---	---	---	---	---
1924	69.6	610	68.0	596	---	---	---	---	---	---	---	---	---
1925	73.7	636	70.3	607	---	---	---	---	---	---	---	---	---
1926	76.4	651	74.0	630	---	---	---	---	---	---	---	---	---
1927	76.7	645	73.7	619	---	---	---	---	---	---	---	---	---
1928	78.7	653	76.8	637	---	---	---	---	---	---	---	---	---
1929	83.3	684	77.2	634	19.5	160	23.4	---	---	---	---	---	---
1930	74.5	605	69.9	568	18.0	146	24.2	---	---	---	---	---	---
1931	64.0	516	60.5	488	14.7	119	23.0	---	---	---	---	---	---
1932	48.7	390	48.6	389	11.4	91	23.4	---	---	---	---	---	---
1933	45.5	363	45.8	365	10.9	87	24.0	---	---	---	---	---	---
1934	52.4	414	51.3	406	12.2	97	23.3	---	---	---	---	---	---
1935	58.5	460	55.7	438	13.6	107	23.2	---	---	---	---	---	---
1936	66.3	518	61.9	483	15.3	119	23.1	---	---	---	---	---	---
1937	71.2	553	66.5	516	16.5	128	23.2	---	---	---	---	---	---
1938	65.5	504	63.9	492	15.6	120	23.8	---	---	---	---	---	---
1939	70.3	537	66.8	511	15.7	120	22.3	---	---	---	---	---	---
1940	75.7	573	70.8	536	16.6	125	21.9	---	---	---	---	---	---
1941	92.7	695	80.6	604	19.2	144	20.7	---	---	---	---	---	---
1942	116.9	867	88.5	656	23.3	173	19.9	---	---	---	---	---	---
1943	133.5	976	99.3	727	27.4	200	20.5	---	---	---	---	---	---
1944	146.3	1,056	108.3	782	29.9	216	20.4	---	---	---	---	---	---
1945	150.2	1,074	119.7	856	33.2	237	22.1	---	---	---	---	---	---
1946	160.0	1,132	143.4	1,014	39.0	276	24.4	---	---	---	---	---	---
1947	169.8	1,179	160.7	1,115	43.7	303	25.7	41.9	24.7	19.3	11.4	22.6	13.3
1948	189.1	1,290	173.6	1,184	46.3	316	24.5	44.8	23.7	19.9	10.5	24.9	13.2
1949	188.6	1,264	176.8	1,185	44.8	300	23.8	43.4	23.0	17.4	9.2	26.0	13.8
1950	206.9	1,364	191.0	1,259	46.0	303	22.2	44.0	21.3	18.0	8.7	26.0	12.6
1951	226.6	1,468	206.3	1,337	52.1	338	23.0	49.2	21.7	20.5	9.0	28.7	12.7
1952	238.3	1,518	216.7	1,380	54.7	348	23.0	50.9	21.4	20.4	8.6	30.5	12.8
1953	252.6	1,582	230.0	1,441	55.5	347	22.0	51.0	20.2	19.5	7.7	31.5	12.5
1954	257.4	1,585	236.5	1,456	56.5	348	22.0	51.1	19.9	18.8	7.3	32.3	12.6
1955	275.3	1,666	254.4	1,539	58.1	351	21.1	53.1	19.3	18.7	6.8	34.4	12.5
1956	293.2	1,743	266.7	1,585	60.4	359	20.6	55.5	18.9	19.2	6.5	36.3	12.4
1957	308.5	1,801	281.4	1,643	63.9	373	20.7	58.3	18.9	20.4	6.6	37.9	12.3
1958	318.8	1,831	290.1	1,666	66.6	383	20.9	61.0	19.1	21.5	6.7	39.5	12.4
1959	337.3	1,905	311.2	1,757	68.4	386	20.3	63.1	18.7	20.9	6.2	42.2	12.5
1960	350.0	1,937	325.2	1,800	70.1	388	20.0	65.9	18.8	21.7	6.2	44.2	12.6
1961	364.4	1,983	335.2	1,823	72.1	392	19.8	67.1	18.4	22.0	6.0	45.1	12.4
1962	385.3	2,064	355.1	1,902	74.4	398	19.3	69.3	18.0	22.4	5.8	46.9	12.2
1963	404.6	2,136	375.0	1,980	76.5	404	18.9	71.5	17.7	22.6	5.6	48.9	12.1
1964	438.1	2,281	401.2	2,089	80.5	419	18.4	74.6	17.0	23.4	5.3	51.2	11.7
1965	472.2	2,426	433.1	2,226	86.0	442	18.2	77.6	16.4	25.5	5.4	52.1	11.0
1966	508.8	2,584	465.9	2,366	93.0	472	18.3	83.4	16.4	28.1	5.5	55.3	10.9
1967 4/	544.2	2,733	492.7	2,475	96.4	484	17.7	85.5	15.7	27.5	5.1	58.0	10.6

1/ Estimated 1909-28 by the Economic Research Service, 1929 to data from U.S. Department of Commerce.
2/ From U.S. Department of Commerce. Excludes alcoholic beverages.
3/ Computed by Economice Research Service. Includes data for Alaska and Hawaii beginning 1960. This series omits imported foods, fish and other seafoods, home-produced food, and food furnished the Armed Forces; it implicitly includes the value of the following items omitted from the Commerce food expenditure series: Meals charged as a business expense, meals served patients in hospitals and persons living in institutions, food distributed free by Government agencies, and meals served by airlines, camps, and other agencies that do not make separate charges for food.
4/ Estimated.

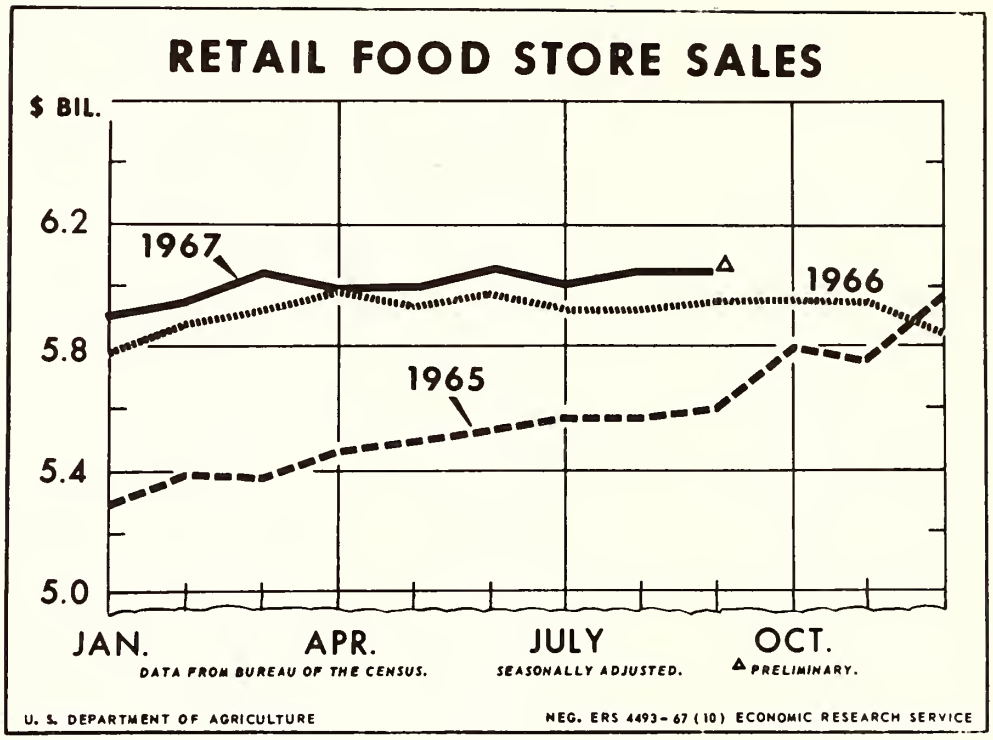


Figure 1

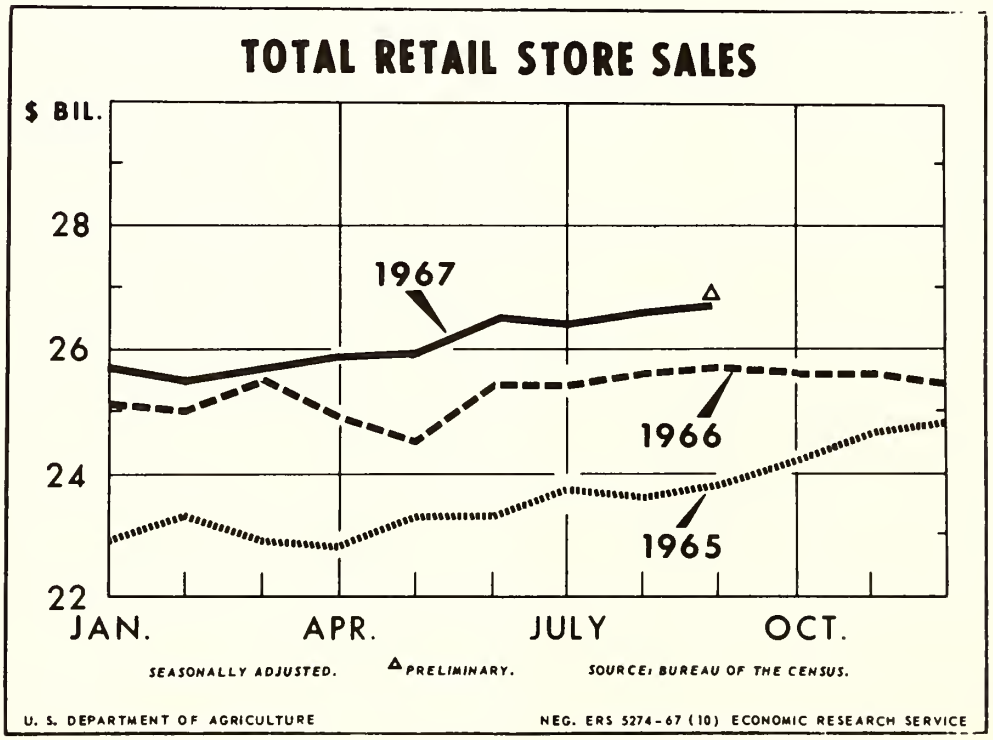


Figure 2

and food expenditures both are expected to continue expanding in 1968. But, the average percentage of income spent for food is likely to remain about the same as this year.

The moderate increase in food expenditures in 1967 includes a sizable increase in volume at relatively steady prices. In 1968, about the same rate of change in total expenditures likely will occur, but due mostly to a rise in food prices.

FOOD PRICES

Third-quarter Prices Higher

Retail food prices averaged 2 percent higher in third-quarter 1967 than in the second quarter (fig. 3 and table 4). About half of the gain was due to seasonal factors; third-quarter prices are seasonally the highest of the year. Both food purchased in grocery stores and in restaurants showed increases from the second quarter. Prices were significantly higher for fresh fruits, beef, pork, potatoes, and eggs. Lower prices were recorded for fats and oils, fresh vegetables, coffee, and white bread.

Third-quarter food prices averaged 1 percent above a year earlier. Food store prices were about the same, but restaurant food prices averaged 5 percent higher.

Fourth-quarter Prices Steady

Fourth-quarter retail food prices likely are averaging about steady with the third quarter, in contrast to a usual seasonal decline (fig. 4). Wholesale prices for farm products are declining slightly, due to continuing large supplies of meat and seasonally abundant supplies of many crop products. However, rising processing and retailing costs--that account for about 2/3 of the total retail value--likely are resulting in steady to slightly higher prices at retail.

1967 Food Store Prices Steady

Retail food prices in 1967 are averaging about 1 percent above 1966 (table 23, page 50). All of the increase is due to a 5-percent increase for restaurant food. Prices of food pruchased for use at home are averaging the same as in 1966. Retail prices for all livestock food products are averaging about 1 percent lower in 1967 than in 1966 with prices substantially lower for eggs, poultry, and pork. Prices for dairy products and fish are averaging well above the 1966 average. Prices for foods from crops are averaging about 1 percent higher in 1967. Higher prices for potatoes, fresh fruits and vegetables, sugars and sweets, and cereal and bakery products are more than offsetting lower prices for processed citrus fruits, coffee, and fats and oils.

Consumer prices for all items (food and nonfood, including services) for 1967 are up nearly 3 percent from a year earlier (table 23, page 50). Prices for food--which account for between a fourth and a fifth of total consumer purchases--are tending to dampen the increase in the Consumer Price Index this year. Prices for all items other than food are rising more than 3 percent this year. Higher prices for services are causing much of the increase in nonfood prices.

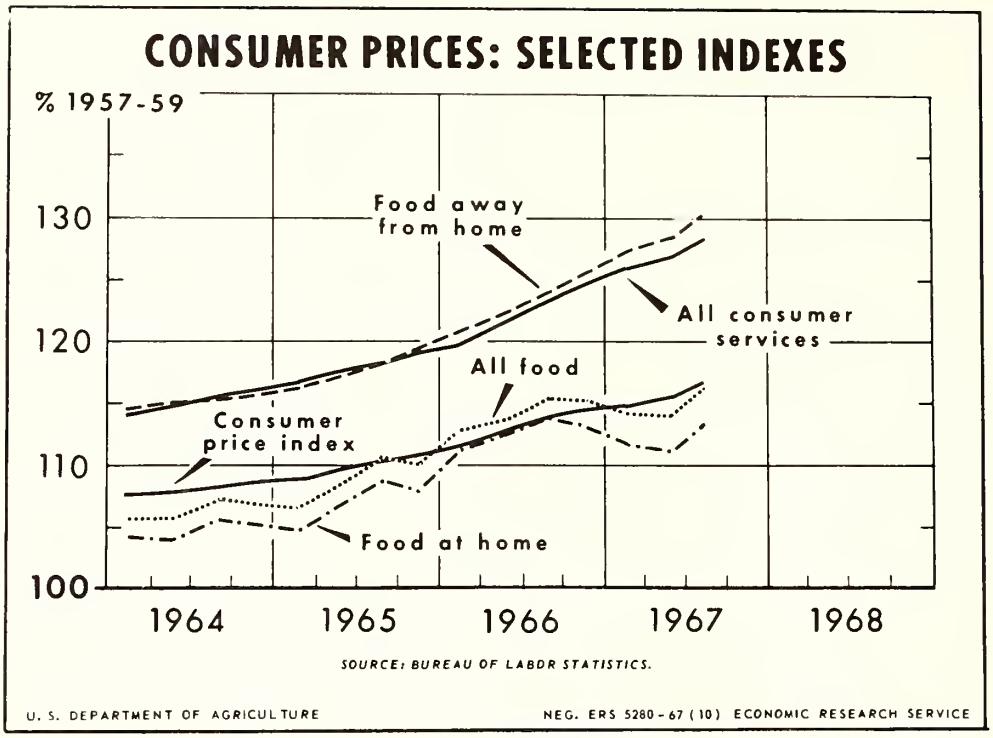


Figure 3

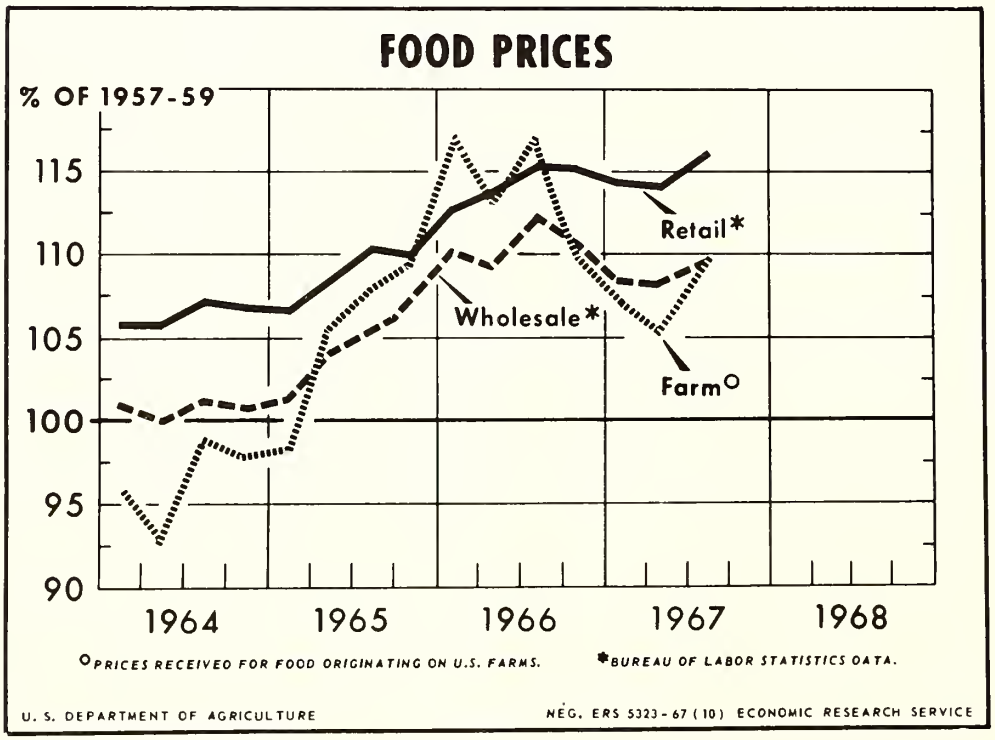


Figure 4

Table 4.--Consumer, wholesale, and farm price indexes (1957-59=100), 1965-67

Item	1965	1966					1967			
		I	II	III	IV	Year	I	II	III	
									Index	Percent change from 1966 III
Retail Prices: 1/										
All goods and services (CPI)	109.9	111.5	112.7	113.7	114.6	113.1	114.8	115.6	116.8	2.7
All items less food	110.4	111.3	112.5	113.5	114.7	113.0	115.1	116.2	117.2	3.3
All food	108.8	112.8	113.8	115.2	115.1	114.2	114.4	114.2	116.2	.9
Food at home	107.2	111.4	112.3	113.7	113.1	112.6	111.8	111.3	113.4	-.3
Food away from home	117.8	120.8	122.2	124.0	125.7	123.2	127.4	128.7	130.3	5.1
Wholesale Prices: 1/										
All commodities	102.5	105.1	105.6	106.7	106.0	105.9	106.0	105.8	106.3	-.4
Commodities other than farm and food 2/	102.5	103.8	104.6	105.2	105.4	104.7	105.9	106.0	106.3	1.0
Farm products	98.4	106.2	105.0	108.2	102.9	105.6	101.1	100.2	100.1	-7.5
Processed food	105.1	111.2	110.6	113.1	111.2	111.5	109.8	109.7	111.6	-1.3
All food 3/	104.5	110.2	109.4	112.4	110.6	110.7	108.4	108.2	109.6	-2.5
Prices received by farmers: 4/										
Crops	104	104	107	108	103	105	100	100	99	-8.3
Livestock and products	101	116	111	114	111	113	107	106	110	-3.5
Total	103	111	109	112	108	110	104	104	105	-6.2
Market Basket of U.S. Farm Foods: 5/										
Retail cost	106.0	111.0	111.4	113.2	112.2	112.0	110.1	109.2	111.2	-1.8
Farm-retail spread	106.4	107.0	110.3	110.5	113.7	110.6	112.2	111.7	112.1	1.4
Farm value	105.3	117.0	113.2	117.2	109.8	114.1	106.9	105.2	109.9	-6.2

1/ Department of Labor, Bureau of Labor Statistics.
2/ Recently this series has been renamed "Industrial commodities."
3/ All food includes all processed foods plus eggs and fresh and dried fruits and vegetables from the farm products group.
4/ Department of Agriculture, Statistical Reporting Service.
5/ Department of Agriculture, Economic Research Service, Marketing Economics Division.

Higher Retail Food Prices in 1968

Current expectations are for retail food prices in 1968 to rise more than the 1 percent gain during 1967, but not as much as the 5-percent spurt in 1966. An increase of 2 to 3 percent appears most likely at this time. The basis of the price rise is an expected increase in costs both of marketing services and raw farm products coupled with a continued rise in consumer demand.

Little change in per capita supplies in combination with expanding demand is expected to strengthen prices of food commodities at the farm level in 1968. Prices received by farmers may move higher for meat animals, poultry, eggs, and fruits.

Farm-retail margins were below the level of fourth-quarter 1966 through the first 3 quarters of 1967, and probably are about equal to a year earlier in the fourth quarter. As a result, profit rates in the food industry were reduced from a year earlier.

Prospective higher costs for labor and other processing, distributing, and marketing inputs likely will lead to a widening of farm-retail margins for food in 1968. The rise in margins will be conditioned by strength in consumer demand and increases in the cost of marketing inputs.

Higher retail prices in 1968 are likely for meats, eggs, and fruits. Lower prices are likely for fats and oils and, at least during the first part of the year, for potatoes.

Both citrus and noncitrus fruit prices likely will be higher this winter than a year earlier. Noncitrus supplies are much lower than a year earlier due to reduced 1967 crops. Higher prices are likely this winter for such items as canned peaches, pears, and fruit cocktail as well as for fresh fruit.

Relatively little change in retail prices in 1968 is likely for dairy products, sugar, coffee, and vegetables. But, some price strength may occur for processed items--such as soft drinks and bakery products--that depend more upon prices of marketing inputs than upon raw product prices in determining final retail prices.

FOOD SUPPLIES AND CONSUMPTION

Per Capita Food Consumption

Increasing supplies of many food products resulted in an increase of 1 percent in the Per Capita Food Consumption Index during 1966. A 1½ percent increase is likely in 1967, but little change is expected in 1968 (fig. 5 and table 2). Part of the increase in consumption this year is due to an expansion of various donation programs.

On a retail-weight equivalent basis, approximately 1,434 pounds of food--635 pounds of animal and 799 pounds of crop products--are being consumed per person in 1967, 12 pounds more than in 1966 (table 5). Roughly 9 of the total 1,434 pounds consumed were due to direct food donations in 1967, 1 pound more than in 1966.

In terms of food energy, total consumption increased fractionally from 3,170 calories per capita per day in 1966 to 3,180 calories in 1967 (table 15, page 31). Little change in food nutrients occurred between 1966 and 1967 except for vitamin A value--up 3 percent--and ascorbic acid, up 5 percent.

Use of Livestock Products

Consumption of total livestock products in the first 3 quarters of 1967 was 3 percent larger than in the same period of 1966 (fig. 6 and table 6).

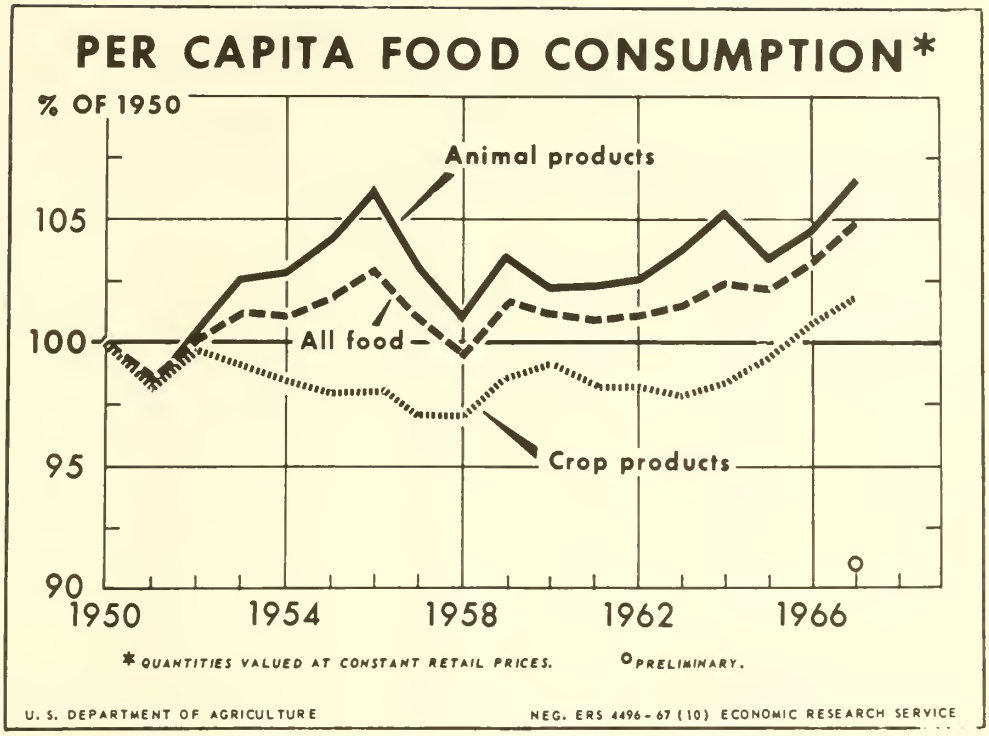


Figure 5

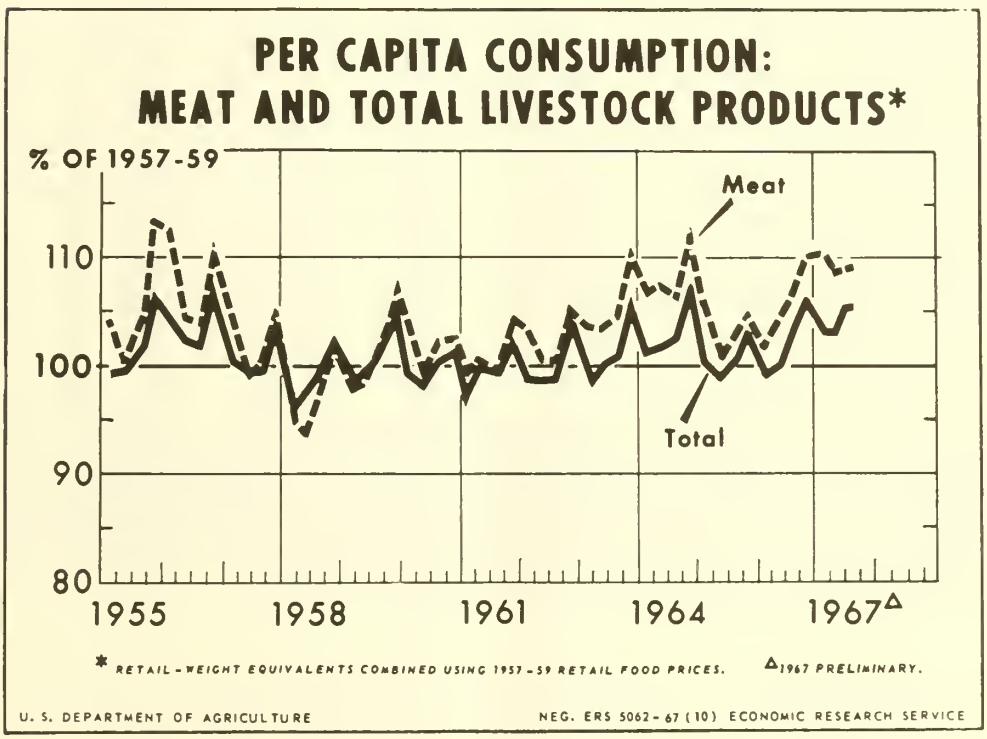


Figure 6

Table 5 .--Civilian per capita food consumption, retail-weight equivalent, 1947-67 1/

Year	Meat, poultry, fish				Eggs	Dairy products		Fats and oils				Fruits		
									Including butter 4/					
	Meat 2/	Poultry	Fish 3/	Total		Including butter	Excluding butter	Excluding butter	Animal	Vegetable	Total	Fresh	Processed	Total
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
1947	147.4	22.1	12.3	181.3	46.8	424	413	33.9	25.7	19.4	45.1	139.6	40.8	180.4
1948	138.4	21.8	13.1	173.3	47.8	407	397	35.7	24.4	21.3	45.7	127.9	42.9	170.8
1949	137.6	23.3	12.9	173.8	47.4	406	396	35.2	24.1	21.6	45.7	121.0	42.1	163.1
1950	137.8	25.1	13.8	176.7	48.5	407	396	38.4	25.1	24.0	49.1	107.0	43.4	150.4
1951	132.4	26.5	13.2	172.1	49.3	410	400	35.6	24.1	21.1	45.2	115.6	42.6	158.2
1952	139.4	27.2	13.3	179.9	49.2	412	403	38.7	23.0	24.3	47.3	109.9	45.4	155.3
1953	146.4	27.1	13.6	187.1	47.8	407	398	38.7	22.6	24.6	47.2	104.8	45.2	150.0
1954	144.9	28.5	13.5	186.9	47.4	404	395	39.9	21.5	27.3	48.8	101.0	45.7	146.7
1955	152.2	26.7	12.9	191.8	46.9	407	398	40.2	22.7	26.5	49.2	95.2	48.8	144.0
1956	154.9	30.0	12.9	197.8	46.6	409	400	39.8	23.1	25.4	48.5	95.1	49.2	144.3
1957	146.7	31.8	12.8	191.3	45.9	402	394	39.3	21.8	25.8	47.6	93.0	50.8	143.8
1958	139.6	34.4	13.3	187.3	44.9	396	388	40.4	21.7	27.0	48.7	90.3	50.0	140.3
1959	146.6	35.6	13.7	195.9	44.7	391	383	41.7	21.5	28.1	49.6	92.0	48.4	140.4
1960	146.7	34.5	13.2	194.4	42.5	386	378	41.0	20.1	28.4	48.5	89.4	50.2	139.6
1961	145.4	37.8	13.7	196.9	41.6	379	372	41.0	20.8	27.6	48.4	85.4	49.0	134.4
1962	147.1	37.3	13.6	198.0	41.4	377	370	41.6	20.1	28.8	48.9	80.8	49.6	130.4
1963	151.7	37.9	13.7	203.3	40.3	374	367	42.6	19.0	30.5	49.5	71.9	48.2	120.1
1964	155.6	38.7	13.5	207.8	40.4	375	368	43.9	18.5	32.2	50.7	76.8	46.4	123.2
1965	148.0	41.2	13.9	203.1	39.8	374	368	44.3	18.5	32.2	50.7	79.7	47.8	127.5
1966 5/	151.0	44.2	13.6	208.8	39.8	370	364	46.1	17.1	34.7	51.8	79.7	49.4	129.1
1967 6/	156.0	46.8	13.6	216.4	41.4	366	360	45.8	17.1	34.2	51.3	80.7	51.8	132.5

Year	Vegetables					Potatoes and sweetpotatoes 7/	Beans, peas, nuts, soya products 7/ 8/	Flour and cereal products 9/	Sugars and other sweeteners 10/	Coffee, tea, cocoa	All foods 11/		
	Melons 7/	Fresh 7/	Processed			Total 7/					Animal products	Crop products	Total
			Canned	Frozen	Total								
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
1947	35.1	190.0	39.8	2.5	42.3	232.3	135.5	16.4	173	113.7	18.6	667	932	1,599
1948	34.5	186.8	37.4	2.9	40.3	227.1	113.8	17.4	170	106.4	19.1	642	889	1,531
1949	33.2	174.9	38.3	2.9	41.2	216.1	118.8	16.7	169	108.5	19.5	641	875	1,516
1950	30.4	170.3	41.2	3.2	44.4	214.7	114.2	19.4	167	113.1	17.6	646	860	1,506
1951	31.6	165.1	41.5	4.0	45.5	210.6	117.2	17.3	165	106.3	17.3	646	854	1,500
1952	30.2	161.8	40.8	4.9	45.7	207.5	105.9	17.2	162	108.4	17.3	655	838	1,493
1953	32.5	157.7	42.2	5.1	47.3	205.0	112.1	16.2	158	108.1	17.3	656	834	1,490
1954	32.3	155.4	41.1	5.4	46.5	201.9	111.6	16.3	155	106.0	14.7	651	822	1,473
1955	33.0	154.7	42.2	5.9	48.1	202.8	113.7	16.3	152	106.3	15.0	659	820	1,479
1956	30.1	154.4	42.7	6.0	48.7	203.1	107.2	17.1	150	107.6	15.5	668	811	1,479
1957	27.6	152.9	42.9	6.2	49.1	202.0	112.6	16.4	148	104.3	15.3	653	807	1,460
1958	29.5	149.3	43.5	6.6	50.1	199.4	107.4	16.3	150	107.4	14.7	642	804	1,446
1959	26.9	146.7	43.6	6.8	50.4	197.1	110.0	17.0	147	107.7	15.2	645	802	1,447
1960	28.2	150.1	43.4	7.0	50.4	200.5	109.4	16.5	147	108.6	15.1	635	806	1,441
1961	27.4	146.8	43.5	7.1	50.6	197.4	109.9	16.9	147	109.0	15.4	631	799	1,430
1962	25.0	143.4	45.1	7.7	52.8	196.2	107.1	16.7	146	109.8	15.4	630	789	1,419
1963	26.3	143.4	45.9	7.4	53.3	196.7	110.1	17.1	144	110.3	15.6	630	785	1,415
1964	24.8	140.8	45.5	8.0	53.5	194.3	106.0	17.4	144	111.4	15.4	635	783	1,418
1965	25.4	140.6	45.5	8.5	54.0	194.6	104.5	16.6	144	111.4	15.0	629	786	1,415
1966 5/	23.6	140.7	47.0	9.2	56.2	196.9	107.5	16.0	142	112.6	15.0	630	792	1,422
1967 6/	22.7	142.9	47.0	9.2	56.2	199.1	110.8	16.2	142	112.0	15.2	635	799	1,434

1/ Quantity data used in computing the per capita food consumption index, table 2. Final consumer products that are derived from a combination of primary food groups, such as bakery products, are measured and reported in the form of their primary ingredients, such as flour, shortening, and eggs. Data for individual items comprising the groups are given in U.S. Food Consumption, SB-364, tables 7-30. 2/ Includes game and edible offal. 3/ Includes 2.0 pounds per capita of game fish through 1951, increasing 0.1 pound annually to 3.0 pounds in 1961 and thereafter. 4/ Includes product weight of butter and margarine; other items in terms of fat content. 5/ Preliminary. 6/ Estimate. 7/ Data for melons, fresh vegetables, potatoes, sweetpotatoes, and dry beans and peas include consumption of home garden produce. 8/ Since 1958 approximations for soya products are continued at 1.3 pounds. 9/ Corn sugar and sirups are with sugars and other sweeteners. 10/ Excludes sugar used in production of canned and frozen fruit, canned fruit juices, canned vegetables, and unskimmed sweetened condensed milk. 11/ Includes spices and herbs, soup, and baby food.

Table 6.--Livestock products: Per capita civilian consumption, by quarters, 1955-67 1/

(Index, 1957-59=100)

Year and quarter		Meat	Poultry	Eggs	Dairy products		Fats including butter	Total livestock products 2/
					Excluding butter	Including butter		
1955	I	104.3	57.5	107.2	100.0	101.1	108.1	99.6
	II	100.5	74.3	101.0	103.6	103.9	103.5	99.6
	III	104.5	83.2	98.4	103.0	103.4	101.1	101.7
	IV	113.2	99.3	108.1	97.8	99.4	114.1	106.6
1956	I	112.1	68.1	108.1	101.4	101.9	109.4	104.6
	II	104.1	84.7	99.3	103.9	104.2	101.5	102.0
	III	103.9	91.3	98.4	102.0	102.1	100.1	101.6
	IV	110.9	108.8	107.2	99.3	100.4	113.7	106.7
1957	I	104.4	72.7	107.2	100.6	100.7	100.8	100.7
	II	99.0	87.2	99.3	102.0	102.1	99.6	99.1
	III	100.1	96.3	98.4	101.0	100.7	96.2	99.8
	IV	104.5	118.8	103.7	99.0	99.7	108.5	103.9
1958	I	95.3	77.4	101.9	98.6	98.5	97.2	95.6
	II	93.8	93.0	96.6	102.3	102.1	102.2	97.1
	III	96.9	110.2	95.7	99.9	99.3	94.3	98.7
	IV	101.2	124.6	102.8	97.7	98.5	107.5	102.3
1959	I	97.8	85.6	102.8	99.6	99.9	102.2	98.1
	II	98.2	102.2	95.7	100.4	99.8	96.2	99.0
	III	101.0	109.2	94.8	100.9	100.2	93.8	100.8
	IV	107.8	122.7	101.0	98.0	98.2	101.8	104.9
1960	I	103.7	79.9	97.5	98.4	97.9	94.3	99.1
	II	98.6	95.3	92.2	101.2	100.0	89.9	98.3
	III	102.2	107.9	90.4	99.8	98.8	87.5	100.2
	IV	102.3	123.4	95.7	96.7	96.8	96.9	101.4
1961	I	99.3	83.3	93.9	98.5	98.0	94.7	97.1
	II	100.8	110.7	89.5	100.7	99.6	91.9	100.2
	III	99.4	119.1	89.5	99.0	97.6	88.0	99.5
	IV	104.7	134.3	94.8	93.3	93.6	102.0	102.3
1962	I	103.4	85.9	93.9	97.5	97.0	94.3	98.8
	II	100.2	104.8	89.5	98.8	97.8	90.3	98.7
	III	100.2	112.9	88.6	98.2	97.3	89.4	99.1
	IV	105.0	138.5	93.9	97.3	96.9	98.6	103.9
1963	I	103.8	89.1	90.4	97.2	96.8	93.7	98.9
	II	103.2	104.8	86.9	99.4	98.4	89.4	100.1
	III	104.5	117.5	87.7	99.0	95.9	70.6	100.8
	IV	110.6	136.0	91.3	95.8	95.5	98.4	105.6
1964	I	106.8	92.8	91.3	98.2	97.7	95.2	101.0
	II	107.5	108.2	86.0	99.1	97.7	82.1	101.9
	III	106.6	119.3	86.9	99.0	96.8	80.5	102.3
	IV	112.8	138.7	90.4	95.8	95.1	89.8	106.4
1965	I	105.2	96.3	88.6	98.6	97.2	86.8	100.1
	II	101.0	111.7	86.9	97.5	95.8	81.7	98.7
	III	102.9	129.7	86.9	98.8	96.5	74.0	100.1
	IV	104.9	149.3	89.5	96.8	96.0	92.1	103.9
1966	I	101.9	103.2	88.6	99.7	97.9	80.1	99.3
	II	104.2	120.0	86.0	97.5	94.9	71.7	100.2
	III	106.9	139.4	86.9	98.3	94.9	70.1	103.3
	IV	110.3	159.7	92.2	94.6	92.7	77.0	106.0
1967 3/	I	110.4	111.5	91.3	97.7	95.5	76.8	103.2
	II	108.5	129.7	88.6	97.1	94.2	71.5	103.1
	III	109.1	150.6	92.2	98.2	94.7	64.0	105.4

1/ Quantities of individual foods, measured in pounds equivalent to the form sold by retail food stores, combined in terms of average 1957-59 retail prices. Methodology paralleled that for annual data reported in U.S. Food Consumption, SB-364, e.g., consumption is defined as disappearance into the marketing system. For a few, relatively minor, foods seasonal consumption patterns were assumed to be the same as similar-type products for which data are available. 2/ Excludes fish and honey. 3/ Preliminary.

Table 7.--Civilian per capita consumption of major food commodities, primary distribution weight, and civilian population, average 1957-59, annual 1960-67 1/

Commodity	Average 1957-59	1960	1961	1962	1963	1964	1965	1966	1967 Preliminary	1967 as percentage of 1966
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent
Meats (carcass weight) - Total	156.6	160.8	160.4	163.0	169.3	174.5	166.7	170.5	175.9	103
Beef	82.1	85.0	87.7	88.8	94.3	99.8	99.3	104.0	105.6	102
Veal	7.1	6.1	5.6	5.5	4.9	5.2	5.2	4.5	3.8	84
Lamb and mutton	4.4	4.8	5.1	5.2	4.8	4.2	3.7	4.0	3.7	92
Pork (excluding lard)	63.0	64.9	62.0	63.5	65.3	65.3	58.5	58.0	62.8	108
Fish (edible weight) - Total	10.5	10.3	10.7	10.6	10.7	10.5	10.9	10.6	10.6	100
Fresh and frozen	5.7	5.7	5.9	5.8	5.8	5.9	6.0	5.9	5.8	98
Canned 2/	4.2	4.0	4.3	4.3	4.4	4.1	4.4	4.2	4.3	102
Cured	.6	.6	.5	.5	.5	.5	.5	.5	.5	100
Poultry products										
Eggs (farm basis) - Number	356	334	328	326	317	318	314	313	326	104
Chicken (ready-to-cook)	27.5	28.0	30.0	29.9	30.7	31.0	33.3	36.0	37.4	104
Turkey (ready-to-cook)	6.0	6.1	7.4	7.0	6.8	7.3	7.5	7.8	9.0	115
Dairy products										
Total milk fat solids	25.6	24.5	24.0	23.9	23.4	23.3	22.9	22.2	21.5	97
Total nonfat milk solids	43.9	43.2	42.6	42.4	41.6	41.5	41.2	40.7	39.8	98
Cheese	7.9	8.3	8.6	9.2	9.2	9.4	9.5	9.8	10.2	104
Condensed and evaporated milk	14.8	13.7	13.3	12.5	11.6	11.3	10.6	9.6	8.8	92
Fluid milk and cream	337	321	311	308	307	304	301	298	287	96
Ice cream (product weight)	18.4	18.3	18.0	17.9	18.0	18.2	18.5	18.1	18.0	99
Fats and oils - Total, fat content 3/	45.3	45.2	45.1	45.7	46.3	47.5	47.7	48.5	48.1	99
Butter (actual weight)	8.2	7.5	7.4	7.3	6.9	6.8	6.4	5.7	5.5	96
Margarine (actual weight)	8.9	9.4	9.4	9.3	9.6	9.7	9.9	10.5	10.8	103
Lard	9.3	7.6	7.7	7.1	6.4	6.3	6.4	5.6	5.5	98
Shortening	11.4	12.6	12.8	13.4	13.5	13.7	14.0	15.9	15.6	98
Other edible fats and oils	10.8	11.5	11.2	11.7	13.1	14.1	14.1	14.1	13.9	99
Fruits										
Fresh (farm weight) - Total	95.5	93.2	88.2	83.2	74.1	78.4	81.0	81.1	82.0	101
Citrus	34.0	33.7	30.8	29.5	22.1	26.1	29.0	29.0	31.7	109
Apples (commercial)	21.0	18.2	16.4	17.4	16.7	17.8	16.3	15.9	15.6	98
Other (excluding melons)	40.5	41.3	41.0	36.3	35.3	34.5	35.7	36.2	34.7	96
Processed:										
Canned fruit	22.4	22.6	23.2	22.7	22.9	22.9	23.4	22.9	22.5	98
Canned juice	13.5	13.0	11.7	11.6	12.9	11.4	10.8	11.6	11.7	101
Frozen (including juices)	8.6	9.1	8.8	9.7	8.0	7.4	8.5	8.1	9.9	122
Dried	3.3	3.1	3.1	3.0	2.9	2.9	2.9	3.1	2.8	90
Vegetables										
Fresh 4/	104.3	105.8	103.6	101.1	101.0	98.3	98.1	98.2	100.6	102
Canned, excluding potatoes and sweetpotatoes	43.3	43.4	43.5	45.1	45.9	45.5	46.8	47.0	47.0	100
Frozen, excluding potatoes	6.6	7.1	7.1	7.7	7.4	8.0	8.5	9.3	9.2	99
Potatoes and sweetpotatoes										
Potatoes, fresh equivalent 5/	106.9	108.3	109.3	107.2	111.3	110.3	108.1	113.3	117.4	104
Frozen potatoes, product weight	1.6	2.7	2.8	3.9	4.5	5.8	5.7	6.9	7.4	107
Sweetpotatoes, fresh equivalent 5/	8.3	7.1	6.5	6.7	6.9	5.5	6.1	5.9	5.9	100
Dry edible beans	7.7	7.3	7.9	7.6	7.5	7.6	6.6	6.5	6.6	102
Melons	25.1	25.8	24.8	23.2	24.6	23.0	23.6	21.7	20.7	95
Sugar (refined)	96.1	97.6	97.7	97.2	96.6	96.5	96.4	97.4	96.8	99
Grains										
Cornmeal and flour	7.4	6.6	6.3	6.1	5.9	5.8	5.7	5.6	5.5	98
Corn sirup	9.4	10.1	10.6	11.5	12.3	13.6	13.6	14.0	14.0	100
Corn sugar	3.6	3.7	3.7	3.9	4.5	4.4	4.5	4.5	4.5	100
Oat food products	3.6	3.6	3.6	3.7	3.7	3.7	3.7	3.7	3.7	100
Wheat flour 6/	120	118	118	115	114	114	113	112	112	100
Wheat cereals	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	2.9	100
Rye flour	1.2	1.1	1.1	1.1	1.1	1.1	1.1	1.2	1.1	92
Rice, milled	5.4	6.1	6.2	7.4	6.6	7.0	7.6	7.3	7.4	101
Other										
Coffee (green beans)	15.7	15.8	15.8	15.9	15.7	15.3	14.8	14.5	14.7	101
Tea	.58	.59	.61	.64	.66	.67	.68	.69	.70	101
Cocoa beans	3.5	3.6	3.9	3.8	3.9	3.9	4.0	4.2	4.2	100
Peanuts (shelled)	4.6	4.9	4.9	4.9	5.0	5.3	5.6	5.4	5.6	104
	Million	Million	Million	Million	Million	Million	Million	Million	Million	Percent
Civilian population 7/	171.5	178.2	181.2	183.8	186.7	189.4	191.9	193.8	195.7	101

1/ Quantity in pounds except for eggs which are stated in number. Data on calendar year basis except for dried fruits, which are on pack year basis, fresh citrus fruits and peanuts on a crop year basis, and rice on August 1 year. All years begin in the year indicated except for fresh citrus, which begins in October of the previous year, and rice which begins in August of previous year. 2/ Includes fish content of items such as clam chowder. 3/ Computed from unrounded data. 4/ Covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets. Excludes farm garden output for farm household use. 5/ Includes quantities canned and frozen. 6/ Includes white, whole wheat, and semolina flour. 7/ Census estimates of July 1 civilian population (50 States beginning 1960) used to derive per capita figures except for sugar, dried fruit, peanuts, and rice.

Table 8.-- Production of major food commodities, average 1957-59, annual 1960-67 1/

Commodity	Unit	Average 1957-59	1960	1961	1962	1963	1964	1965	1966	1967 Preliminary 2/	1967 as percentage of 1966
Meats (carcass weight) - Total	Mil. lb.	26,612	28,236	28,608	28,972	30,580	32,692	31,535	32,622	33,850	104
Beef	Mil. lb.	13,704	14,753	15,325	15,322	16,453	18,453	18,724	19,725	20,100	102
Veal	Mil. lb.	1,240	1,109	1,044	1,015	929	1,013	1,020	910	775	85
Lamb and mutton	Mil. lb.	711	768	832	808	770	715	651	650	625	96
Pork (excluding lard)	Mil. lb.	10,957	11,606	11,407	11,827	12,428	12,511	11,140	11,337	12,350	109
Poultry and eggs 3/											
Eggs	Mil. doz.	5,475	5,339	5,358	5,403	5,345	5,435	5,474	5,538	5,836	105
Chicken (ready-to-cook)	Mil. lb.	4,880	5,208	5,787	5,825	6,048	6,219	6,649	7,303	7,590	104
Turkey (ready-to-cook)	Mil. lb.	1,065	1,156	1,506	1,302	1,355	1,459	1,521	1,678	1,912	114
Dairy products											
Total milk	Bil. lb.	123.3	123.1	125.7	126.3	125.2	127.0	124.2	120.2	119.8	100
Cheese 4/	Mil. lb.	1,396	1,478	1,635	1,592	1,632	1,723	1,755	1,856	1,895	102
Condensed and evaporated milk	Mil. lb.	2,789	2,666	2,631	2,409	2,369	2,395	2,178	2,185	1,970	90
Ice cream (product weight)	Mil. lb.	3,212	3,358	3,357	3,381	3,444	3,546	3,634	3,610	3,610	100
Fats and oils - Total fat content 5/	Mil. lb.	11,070	12,321	12,334	13,331	13,681	14,051	14,287	14,434	14,266	99
Butter (actual weight)	Mil. lb.	1,477	1,436	1,536	1,579	1,454	1,469	1,346	1,128	1,250	111
Lard 6/	Mil. lb.	2,584	2,562	2,514	2,476	2,473	2,473	2,045	1,929	2,060	107
Margarine (actual weight)	Mil. lb.	1,549	1,695	1,724	1,726	1,794	1,857	1,904	2,110	2,185	104
Shortening	Mil. lb.	2,022	2,313	2,456	2,689	2,584	2,664	2,792	3,181	3,180	100
Other edible fats and oils 7/	Mil. lb.	7,297	8,603	8,585	9,584	10,038	10,395	11,158	11,597	11,200	97
Fruits											
Fresh:											
Citrus	Mil. lb.	6,794	6,873	6,462	6,286	4,854	5,690	6,413	6,668	7,492	112
Apples (commercial)	Mil. lb.	3,859	3,156	3,449	3,417	3,447	3,569	3,375	3,213	3,100	96
Other (excluding melons)	Mil. lb.	4,072	3,926	4,036	4,017	3,657	3,623	3,770	3,845	3,429	89
Processed:											
Canned fruit	Mil. lb.	4,158	4,312	4,593	4,842	4,293	5,325	4,619	4,973	4,446	89
Canned fruit juices	Mil. lb.	2,688	2,620	2,430	2,722	2,636	2,190	2,251	2,530	2,845	112
Frozen (including juice)	Mil. lb.	1,556	1,620	1,741	2,037	1,232	1,533	1,657	1,577	2,167	137
Dried	Mil. lb.	694	695	758	723	773	832	863	850	625	74
Vegetables 8/											
Fresh 9/	Mil. lb.	19,881	21,442	20,972	20,691	20,984	20,694	21,207	21,299	22,226	104
Canned	Mil. lb.	7,694	7,864	8,727	9,424	8,804	8,709	9,661	9,418	10,378	110
Frozen	Mil. lb.	1,183	1,402	1,531	1,493	1,455	1,507	1,778	1,976	2,053	104
Potatoes and sweetpotatoes											
Potatoes	Mil. cwt.	252	257	293	265	271	241	291	307	302	98
Frozen potato products	Mil. lb.	287	551	579	762	861	1,118	1,219	1,459	1,500	103
Sweetpotatoes	Mil. cwt.	18.2	14.9	14.4	17.1	14.4	13.0	15.5	13.7	14.1	103
Dry edible beans 10/ 11/	Mil. lb.	1,782	1,741	1,967	1,794	1,998	1,738	1,646	2,027	1,532	76
Dry field peas 10/	Mil. lb.	385	367	384	566	552	568	466	435	475	109
Melons 9/	Mil. lb.	4,455	4,673	4,462	4,470	4,698	4,268	4,426	4,136	4,080	97
Sugar, raw basis	1,000 tons	12/2,732	4,012	4,268	4,399	4,870	5,587	5,371	5,288	5,246	99
Grains											
Wheat	Mil. bu.	1,177	1,355	1,233	1,092	1,147	1,283	1,316	1,311	1,554	119
Rye	Mil. bu.	28.3	33.1	27.3	40.7	29.2	32.5	33.2	27.9	24.0	86
Rice, rough	Mil. cwt.	45.7	53.7	54.6	54.2	66.1	70.3	73.2	76.3	85.1	112
Corn, grain only	Mil. bu.	3,409	3,907	3,598	3,606	4,019	3,484	4,084	4,103	4,717	115
Oats	Mil. bu.	1,247	1,153	1,010	1,012	966	852	927	798	806	101
Barley	Mil. bu.	447	429	392	428	393	386	392	390	373	96
Peanuts, farmers' stock 13/	Mil. lb.	1,591	1,718	1,657	1,719	1,942	2,099	2,384	2,411	2,542	105

1/ Calendar year basis except for fresh citrus fruit for which the season begins in the fall of the previous year; dried fruits on a pack year beginning year indicated; rice on a marketing year ending year indicated. 50-State basis beginning 1960. 2/ Based on the best available information but subject to revision in line with later data from the Crop Reporting Board. 3/ Includes an allowance for nonfarm production. 4/ Excludes full skim, cottage, pot, and baker's cheese. 5/ Includes butter, lard and "other edible fats and oils." 6/ Includes amount used in manufactured food and nonfood products. 7/ Includes cottonseed, peanut, soybean, corn, edible olive, and oleo oils; oleo stock, oleostearine, and edible tallow later processed into margarine, shortening, cooking and salad oils, etc., and nonfood items. 8/ Excludes potatoes and sweetpotatoes. 9/ Covers total commercial production for sale as fresh both for shipment to distant markets and for local markets; includes quantities not harvested. Excludes farm garden output for farm household use. 10/ Cleaned basis. Beginning 1960, dry peas include lentils. 11/ Beginning 1959, excludes seed beans produced on contracted acreage. 12/ Excludes Hawaiian production. 13/ Beginning 1959 on a net-weight basis (cleaned and adjusted to standardized moisture content).

Little change from a year earlier appears likely during the fourth quarter. Meat, poultry, and eggs each participated in the increase, but consumption of animal fats and dairy products averaged lower.

Total meat consumption increased throughout 1966 and remained at a high level through the third quarter of 1967. For the year, meat consumption may total around 156 pounds per capita--retail-weight basis--up from 151 pounds in 1966 (table 5).

Both beef and pork consumption were above a year earlier during the first 3 quarters of 1967; pork increases were particularly large. The output of grain-fed beef in the fourth quarter is continuing around year-earlier levels, but production of manufacturing grade beef is lower. Per capita beef supplies are expected to remain near year-earlier levels in 1968 (table 7).

Pork supplies per capita likely will drop to around year-earlier levels this winter. Supplies available to consumers next year will depend on farmers' reactions to the improved product-feed price ratios and abundant supplies of feed grains this fall.

Supplies of veal are dropping during 1967, due partly to the cutback in dairy herds. Per capita consumption of veal may decline again in 1968. Supplies of lamb dwindled this year due both to lower production and reduced imports. Prospects are for some further decline next year.

Large supplies of both eggs and poultry meat are leading to significant increases in per capita consumption in 1967 (table 7 and 8). Per capita supplies of chicken in 1968 may exceed 1967 record levels. Turkey consumption per capita this year is rising sharply over 1966 but next year's total may not equal the high 1967 level. A contraction in the total egg laying flock also appears underway. Consequently, per capita egg consumption likely will average lower in 1968, particularly in the second-half year.

Milk production in 1967 is totaling about the same as a year earlier but consumption of fluid milk and some other dairy products is dropping below 1966 levels in response to higher prices and declining demand. Cheese is the major exception. Total consumption of dairy products is falling about 3 percent from 1966 on a milk equivalent basis. Little further decline is expected in consumption of dairy products in 1968. The decrease in consumption this year is due mainly to lower (about 5-percent) commercial sales of dairy products. USDA donations this year are more than triple the low 1966 level and stocks of dairy products at the beginning of the fourth quarter were half again as large as the low levels a year earlier. Larger stocks at the beginning of 1968 are expected to offset lower imports resulting from new import quotas; little change is expected in milk production.

Per capita consumption of fats and oils in 1967 is totaling around 48 pounds (fat content basis), about the same as a year earlier. Little change from this level is expected in 1968. As usual, consumption of margarine and cooking and salad oils is expected to gain slightly at the expense of lard (direct use).

Fishery Products 1/

Supplies of edible fishery products for 1967 are expected to total 2.7 billion pounds, edible weight, down fractionally from a year ago. Landings by U.S. fishermen and imports both are down. However, per capita consumption is expected to hold at the 10.6 pounds registered last year due to the larger-than-usual depletion of beginning-year stocks.

Consumer prices for fish during the fourth quarter likely are averaging a little higher than last year as supplies for some popular products continue lower. Relative to a year ago, supplies of canned salmon, frozen cod fillets,

---

1/ Prepared by Fish and Wildlife Service, U.S. Department of the Interior.

lobster tails, and scallops are down sharply. Also, frozen stocks of halibut, swordfish, whiting, and crabs (including crab meat) are below those of a year ago. Frozen holdings of shrimp are ample compared with a year ago. Among other canned products, there are good packs of tuna and shrimp and a fair pack of Maine sardines.

At the end of this year, stocks of fishery products are expected to be smaller than at the end of 1966. Frozen stocks likely will be down about 3 percent and canned stocks about 22 percent.

Food Use of Crops About Stable

Per capita consumption of total fruits in 1967 is well above that in each of the previous 4 years (tables 2, 5, and 7). The increase is due primarily to a much larger citrus crop last winter which was marketed throughout most of 1967. However, the outlook is for a much reduced citrus crop this winter. The total 1967 noncitrus fruit crop is estimated to be 14 percent lower than a year earlier, with most fruits--including peaches, pears, and apples--sharing in the decline. Inventories of most processed noncitrus fruits are lower.

Generally favorable weather and increased acreages of vegetables for processing are resulting in a small increase in vegetable output in 1967. Per capita consumption of fresh vegetables is averaging about 2 percent above a year earlier, but little change is occurring for processed items. Supplies of fresh vegetables this fall are about the same as last fall. Less celery, carrots, peppers, and lettuce are in prospect but more snap beans, broccoli, cauliflower, tomatoes, cabbage, and onions are likely. Supplies of processed vegetables this fall and winter are moderately larger than a year earlier. Supplies of frozen vegetables are record large.

Per capita consumption of potatoes in 1967 is increasing 3 or 4 percent over 1966. As in other recent years, the increase in consumption is due to rising use of processed potatoes. Potato supplies available to consumers through fall and winter likely will be larger than a year earlier.

Downward revisions made by the Bureau of the Census in flour production data indicate that civilian use of wheat flour was lower in 1962-66 than earlier estimated. Per capita disappearance was lowered by 2 pounds for 1966 to a total of 112 pounds. These revisions imply that per capita food use of wheat flour (used in all cereal and bakery products) has continued downward at the rate of about 1 pound per year.

Per capita consumption of food products processed from corn in 1968 probably will continue near the level of 55 to 56 pounds (grain equivalent) consumed during the past 2 or 3 years. Per capita consumption of beet and cane sugar, corn sirup, and corn sugar (dextrose) also are remaining about the same as a year earlier. Per capita use of noncaloric sweeteners has increased sharply in recent years. Consumption in 1966 amounted to over 7 pounds per capita, sugar sweetness basis, with most of the increase in soft drinks and dry beverage bases.

Domestic roastings of coffee during the first half of 1967 were 1.2 percent above a year earlier. For the year, per capita coffee consumption may equal or possibly exceed the 1966 level of 14.5 pounds, green bean equivalent basis. Coffee consumption had previously declined each year since 1962.

Supply and Utilization of Farm Food Commodities

Annual utilization of farm food commodities in 1967 is totaling about the same as in 1966 (fig. 7 and table 9). Use of total crop food products is

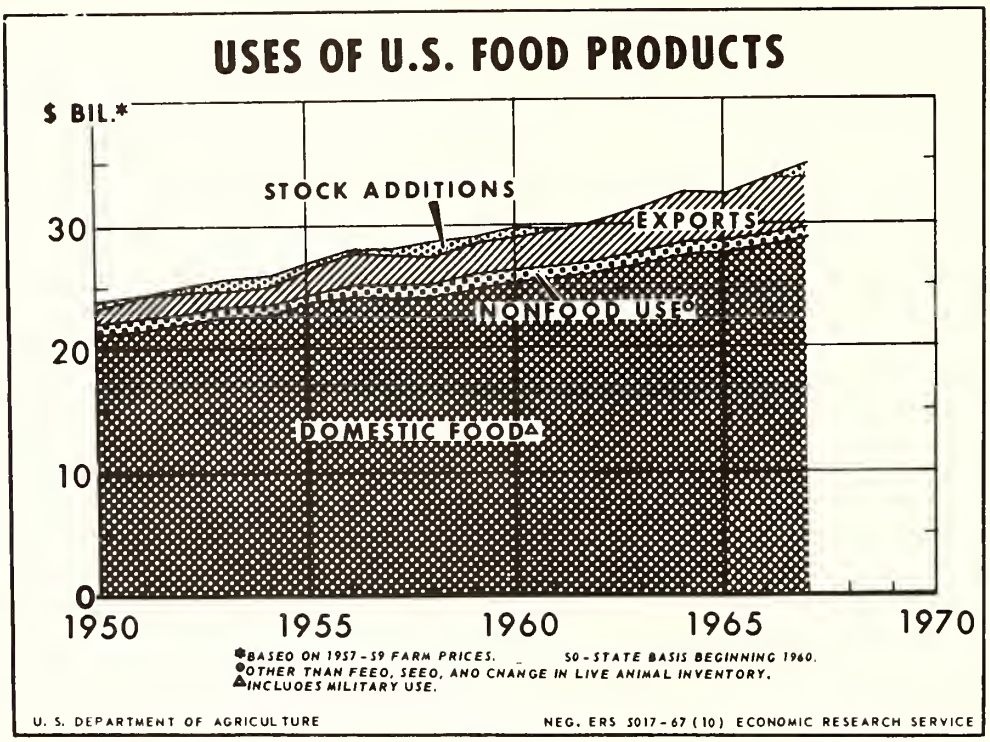


Figure 7

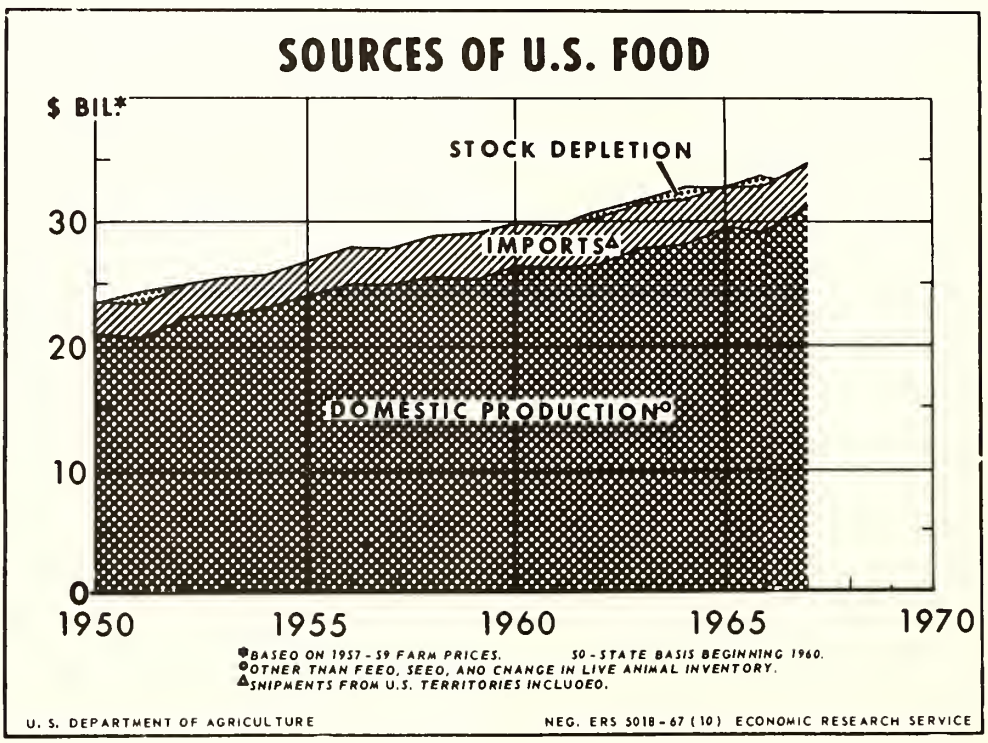


Figure 8

declining, but livestock products use is much larger this year than in 1966 (tables 10 and 11).

Total civilian food use is advancing over 2 percent in 1967 and military food use also is gaining. Central procurement of food by the military was up 4 per cent from first-half 1966. However, other outlets for food commodities--exports and nonfood uses--are declining from the high levels in 1966. Nevertheless, exports of farm food commodities in 1967 are accounting for about 12 percent of total net utilization during the year. About 18 percent of total annual use of crop food commodities and about 2 percent of total use of livestock commodities is being exported this year.

Net production of farm food commodities is increasing around 7 percent in 1967 to a new record level (fig. 8 and table 9). Significant increases are occurring both for crop and livestock commodities, although the largest gains are among the crops. Output was especially large for citrus fruits, wheat, rice, and corn.

Imports of food commodities are showing a small increase in calendar year 1967. Consequently, total food supplies are much larger than a year earlier. With little change in total annual utilization, stocks of food commodities at the end of calendar year 1967 likely will be somewhere around a tenth larger than a year earlier. This level would put aggregate stocks somewhat above the level at the end of 1965.

Outlook for 1968

Total utilization of farm food commodities is expected to increase in 1968. Most of the increase in utilization is expected to be for crop food commodities with little change anticipated for livestock. Part of the expected increase in use of crops reflects carryover of the large 1967 crops into the next calendar year. Exports are expected to be larger in calendar year 1968, with increases likely both for crop and livestock commodities.

Military food takings may advance again in 1968 although the rate of expansion may diminish. Military requirements again will probably amount to around 2 percent of total supply of food commodities. Civilian food use in 1968 probably will not differ much from total consumption in 1967. Some declines may occur among crop commodities, such as fruits, but total consumption of livestock commodities likely will be around the 1967 level.

Some declines in output of crop food commodities are indicated for 1968 but little overall chnnge is foreseen for livestock products. Total imports of food commodities are expected to remain around 1967 levels, although some declines are likely for livestock products due to import restrictions for dairy products.

FOOD DONATIONS

Food Programs

The Food Stamp and National School Lunch Programs were expanded in Fiscal Year 1966/67, but the Special Milk Program did not change greatly.

The Food Stamp Program expanded from 324 areas served last year to 838 in 1967. By mid-1967, 1.8 million people were participating in this program compared with 1.2 million in mid-1966. The total value of coupons issued in FY-1967 was $296 million. These coupons expanded food purchasing power of recipients by $106 million. The 1967 program was much larger than a year earlier when $174 million in total coupons were issued and purchasing power expanded by $65 million.

Four-hundred thousand more children were served by the School Lunch Program in 1966/67 than a year earlier. Although the number of outlets served by the Special Milk Program was reduced, the amount of milk distributed under this program in FY-1967 changed little.

Table 9.--Farm food commodities: Supply-utilization indexes by component and relationship of components to total net utilization, 1947-67 1/

Year	Supply			Total annual net utilization	Utilization				
					Domestic use				
					Food				
	Net production 2/	Net imports 3/	Stocks 4/		Civilian	Military 5/	Net nonfood 6/	Total	Exports and shipments 7/
	A.--Index, 1957-59=100								
1947	81.9	78.7	64.2	86.1	85.5	181.3	113.8	88.2	65.1
1948	86.4	82.8	79.3	82.9	83.2	211.2	114.9	86.6	44.6
1949	81.8	86.1	72.3	83.6	84.2	211.2	97.8	86.9	49.8
1950	82.6	88.3	75.0	84.5	86.4	110.3	113.5	87.7	51.0
1951	81.5	88.8	78.0	87.6	85.9	218.7	108.2	89.0	73.0
1952	86.9	87.0	71.6	87.9	88.7	163.4	94.5	90.2	64.0
1953	88.7	93.0	75.4	89.4	91.2	151.9	99.1	92.5	57.2
1954	91.0	84.0	81.2	90.4	92.4	127.6	93.9	93.1	62.5
1955	94.9	88.5	87.0	95.1	96.3	110.8	103.4	96.8	77.9
1956	98.6	92.7	91.4	99.9	99.3	112.4	105.2	99.8	100.8
1957	98.2	93.1	93.7	99.3	98.9	101.8	99.7	98.9	103.1
1958	101.3	96.6	96.7	98.2	98.8	99.8	98.1	98.8	92.1
1959	100.5	110.3	109.6	102.5	102.3	98.4	102.2	102.3	104.8
1960	104.8	98.4	114.6	103.8	103.2	92.4	90.1	102.5	116.5
1961	103.9	104.1	122.5	106.7	105.3	101.6	91.0	104.8	126.3
1962	104.2	111.0	123.5	109.4	106.7	105.6	103.4	106.5	138.6
1963	109.4	113.5	120.7	113.6	109.8	102.2	104.5	109.5	156.2
1964	110.9	102.6	119.6	118.0	112.1	113.3	104.4	111.8	181.4
1965	116.1	101.4	108.9	117.4	112.1	127.6	108.4	112.3	170.3
1966 8/	115.2	109.5	110.2	121.1	114.9	138.9	109.3	115.1	183.3
1967 8/	123.3	111.4	103.1	121.2	117.3	146.3	106.3	117.4	159.8
	B.--Percentage of total annual net utilization								
1947	87.1	10.4	2.5	100.0	85.7	3.4	4.2	93.3	6.7
1948	95.4	11.4	-6.8	100.0	86.7	4.1	4.4	95.2	4.8
1949	89.6	11.8	-1.4	100.0	86.9	4.0	3.8	94.7	5.3
1950	89.5	12.0	-1.5	100.0	88.2	2.1	4.3	94.6	5.4
1951	85.2	11.6	3.2	100.0	84.6	4.0	4.0	92.6	7.4
1952	90.6	11.3	-1.9	100.0	87.1	3.0	3.5	93.6	6.4
1953	90.9	11.9	-2.8	100.0	88.0	2.7	3.6	94.3	5.7
1954	92.2	10.6	-2.8	100.0	88.3	2.3	3.3	93.9	6.1
1955	91.4	10.6	-2.0	100.0	87.4	1.9	3.5	92.8	7.2
1956	90.4	10.6	-1.0	100.0	85.9	1.8	3.4	91.1	8.9
1957	90.6	10.7	-1.3	100.0	85.9	1.7	3.2	90.8	9.2
1958	94.4	11.3	-5.7	100.0	86.9	1.6	3.2	91.7	8.3
1959	89.8	12.3	-2.1	100.0	86.2	1.6	3.2	91.0	9.0
1960	92.5	10.8	-3.3	**100.0**	85.9	**1.4**	2.8	90.1	9.9
1961	89.2	11.2	-.4	**100.0**	85.2	1.5	2.8	89.5	10.5
1962	87.3	11.6	1.1	**100.0**	84.2	1.6	3.0	88.8	11.2
1963	88.1	11.5	.4	**100.0**	83.4	1.4	3.0	87.8	12.2
1964	86.1	9.9	4.0	**100.0**	82.0	1.5	2.9	86.4	13.6
1965	90.6	9.9	-.5	**100.0**	82.4	1.8	3.0	87.2	12.8
1966 8/	87.1	10.3	2.6	**100.0**	81.9	1.8	2.9	86.6	13.4
1967 8/	93.2	10.5	-3.7	100.0	83.6	1.9	2.8	88.3	11.7

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis since 1960. Includes essentially all commodities having any food use in the United States. Livestock: Red meats, poultry, eggs, milk fat and nonfat solids, and honey. Crops: Food and feed grains, sugar crops, citrus and noncitrus fruit, bananas, tree nuts, potatoes, sweetpotatoes, vegetables, dry beans and peas, cowpeas, popcorn, mustard seed, cocoa, coffee, tea, olives, copra, and major oilseeds. 2/ Meat production includes carcass weight of commercial and farm slaughter; does not include change in live animal inventory. 3/ Includes shipments from U.S. Territories. 4/ Farm, commercial, and Government program holdings; excludes live animal inventory. Section A: Jan. 1; derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes: Negatives indicate stock increases; positives signify withdrawals. 5/ Includes civilian feeding in occupied areas. 6/ Excludes feed and seed. 7/ Includes shipments to U.S. Territories. 8/ Preliminary. Note: 1960-65 revised in accord with the 1964 Census of Agriculture.

Table 10.--Livestock food commodities: Supply-utilization indexes by component and relationship to total annual utilization, 1955-67 1/

Year	Supply			Utilization						
					Domestic use					Exports and shipments 8/
					Food		Nonfood			
	Gross production 2/	Imports 3/	Stocks January 1 4/	Total annual gross utilization	Civilian	Military 5/	Seed 6/	Feed 7/	Other	
	A.--Index, 1957-59=100									
1955	99.0	46.4	154.8	98.6	97.0	112.8	83.0	122.7	105.7	123.4
1956	120.8	45.4	126.5	102.0	100.6	111.1	93.4	113.6	110.5	131.3
1957	100.6	58.4	107.8	99.8	99.3	105.0	92.4	104.4	104.5	108.2
1958	98.2	109.7	99.4	98.5	98.5	99.2	104.8	98.4	100.1	94.8
1959	101.2	131.9	92.8	101.7	102.2	95.8	102.8	97.2	95.4	97.0
1960	103.0	103.5	92.3	102.7	103.5	90.0	102.8	97.7	93.3	97.0
1961	105.8	128.2	95.6	104.9	105.5	95.5	110.1	97.4	90.9	107.7
1962	106.1	167.3	132.0	106.9	107.4	103.0	111.1	91.0	94.8	111.8
1963	109.0	188.4	142.6	110.8	110.7	99.5	111.1	90.0	94.2	154.3
1964	114.4	137.9	133.6	115.6	114.4	112.8	114.2	94.7	94.5	192.1
1965	112.5	130.1	106.5	113.2	113.4	124.1	121.5	88.3	93.6	132.6
1966 9/	114.7	172.8	88.3	115.3	116.1	136.6	132.9	92.5	90.6	106.2
1967 9/	117.9	184.0	100.8	118.5	119.5	144.7	131.9	90.3	89.4	106.4
	B.--Percentage of total annual gross utilization									
1955	98.1	1.0	0.9	100.0	89.3	2.2	0.4	2.8	2.0	3.3
1956	98.4	1.0	0.6	100.0	89.5	2.1	0.5	2.6	2.0	3.3
1957	98.5	1.2	0.3	100.0	90.3	2.0	0.5	2.4	2.0	2.8
1958	97.4	2.4	0.2	100.0	90.8	1.9	0.6	2.3	1.9	2.5
1959	97.2	2.8	10/	100.0	91.3	1.8	0.5	2.1	1.8	2.5
1960	98.0	2.1	-0.1	100.0	91.5	1.7	0.5	2.1	1.7	2.5
1961	98.5	2.6	-1.1	100.0	91.3	1.7	0.6	2.1	1.6	2.7
1962	97.0	3.3	-0.3	100.0	91.3	1.8	0.6	1.9	1.7	2.7
1963	96.1	3.6	0.3	100.0	90.7	1.7	0.6	1.8	1.6	3.6
1964	96.7	2.5	0.8	100.0	90.0	1.9	0.5	1.8	1.5	4.3
1965	97.0	2.5	0.5	100.0	91.0	2.1	0.6	1.7	1.6	3.0
1966 9/	97.1	3.2	-0.3	100.0	91.4	2.3	0.6	1.8	1.5	2.4
1967 9/	97.2	3.3	-0.5	100.0	91.6	2.4	0.6	1.7	1.4	2.3

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis since 1960. Includes essentially all livestock commodities having any food use. 2/ Meat production includes commercial and farm slaughter; excludes change in live animal inventory. 3/ Includes inshipments from U.S. Territories. 4/ Commercial and Government program holdings. Section A: Derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes; negative indicate stock increases; positives signify withdrawals. 5/ Includes civilian feeding in occupied areas. 6/ Hatching eggs. 7/ Milk fed to calves and, since 1961, inedible tallow. 8/ Includes shipments to U.S. Territories. 9/ Preliminary. 10/ Less than 0.05 percent.

5 revised to be consistent with the 1964 Census of Agriculture.

Table 11.--Crop food commodities: Supply-utilization indexes by component and relationship to total annual utilization, 1955-67 1/

Year	Supply			Utilization						
					Domestic use					Exports and shipments 5/
					Food		Nonfood			
	Gross production	Imports 2/	Stocks January 1 3/	Total annual gross utilization	Civilian	Military 4/	Seed	Feed	Other	
	A.--Index, 1957-59=100									
1955	88.3	94.1	83.6	89.8	94.8	103.7	105.4	88.3	101.9	93.6
1956	91.4	99.2	89.7	95.4	96.8	116.8	102.2	92.5	101.9	101.9
1957	92.5	98.2	93.0	96.1	97.8	90.6	101.9	90.7	96.8	101.9
1958	105.3	94.9	96.6	99.1	99.5	101.7	99.7	101.7	96.8	91.5
1959	102.2	106.9	110.4	104.8	102.7	107.7	98.4	107.6	106.4	106.6
1960	106.3	97.1	115.7	104.6	102.5	100.7	91.9	103.9	88.2	121.1
1961	103.7	100.3	123.8	109.4	105.0	122.8	96.0	110.6	91.0	130.6
1962	105.0	102.6	123.1	113.0	105.0	114.8	96.2	114.1	108.5	144.9
1963	110.3	102.7	119.6	115.6	107.9	111.7	98.1	113.0	110.7	156.6
1964	106.0	97.1	118.9	117.6	107.2	114.8	98.9	111.4	110.3	178.9
1965	117.5	96.7	109.0	118.7	109.4	139.9	100.3	109.8	117.4	179.1
1966 6/	119.0	100.1	111.3	128.2	112.2	147.0	103.2	125.8	120.6	201.4
1967 6/	129.0	100.7	103.2	123.6	112.5	152.0	111.0	122.3	116.5	172.3
	B.--Percentage of total annual gross utilization									
1955	86.0	19.0	-5.0	100.0	51.6	0.7	2.8	31.3	4.0	9.6
1956	83.8	18.8	-2.6	100.0	49.5	0.8	2.6	30.8	3.8	12.5
1957	84.2	18.5	-2.7	100.0	49.8	0.6	2.5	30.0	3.6	13.5
1958	93.0	17.3	-10.3	100.0	49.1	0.6	2.4	32.6	3.5	11.8
1959	85.3	18.4	-3.7	100.0	47.9	0.7	2.2	32.6	3.6	13.0
1960	89.0	16.8	-5.8	100.0	47.9	0.6	2.1	31.6	3.0	14.8
1961	82.9	16.6	0.5	100.0	46.9	0.7	2.1	32.1	3.0	15.2
1962	81.3	16.5	2.2	100.0	45.4	0.7	2.0	32.1	3.4	16.4
1963	83.5	16.1	0.4	100.0	45.6	0.6	2.0	31.1	3.4	17.3
1964	78.9	14.9	6.2	100.0	44.5	0.6	2.0	30.1	3.4	19.4
1965	86.7	14.7	-1.4	100.0	45.0	0.8	2.0	29.5	3.5	19.2
1966 6/	81.2	14.1	4.7	100.0	42.8	0.7	1.9	31.2	3.4	20.0
1967 6/	91.3	14.7	-6.0	100.0	44.5	0.8	2.1	31.4	3.4	17.8

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis since 1960. Includes essentially all crops having any food use, including feed grains. 2/ Includes inshipments from U.S. Territories. 3/ Farm, commercial and Government program holdings. Section A: Derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes; negatives indicate stock increases; positives signify withdrawals. 4/ Includes civilian feeding in occupied areas. 5/ Includes shipments to U.S. Territories. 6/ Preliminary.

Note: 1960-65 revised to be consistent with the 1964 Census of Agriculture.

Direct Commodity Donations

The direct distribution of food this year likely will be up considerably from the relatively low level in calendar year 1966. Both quantity and value of donations rose in the first 6 months of 1967 compared with the same period last year (table 12). Cereal products made up 40 percent of the total pounds distributed, compared with 50 percent last year. All major cereal items were substantially reduced, although donations of rolled oats were large. Donations of dry beans nearly doubled. Meat donations were half again higher and dairy products were up a third over the January-June period of 1966. Because of abundant supplies, frozen concentrated orange juice donations, at 43½ million pounds, were almost 10 times as large as in 1966. Poultry donations were slightly higher, consisting almost entirely of chicken, whereas in 1966 turkey comprised a third of the total. An increase in butter donations partly offset the 6-million pound drop for margarine.

FOREIGN TRADE

Food Exports Lower So Far in Calendar 1967

The value of agricultural products exported in the first 8 months of 1967 was down 5 percent from the same period last year (table 13). Wheat and feed grain exports, which accounted for nearly half of the total last year, dropped by a fourth. Exports of both total animal and total crop products declined at about equal rates.

Food Imports Higher

Although the value of imports of total agricultural products dropped 1 percent in the first 8 months of 1967, imports of food commodities increased 5 percent. Imports of livestock food products, essentially dairy products and meat, increased 9 percent.

Dairy product imports, which rose sharply for 3 years, continued to accelerate in the first half of 1967. Effective July 1, dairy import quotas were applied to the items that had caused most of the increase. For the year imports may average close to last year's level.

Imports of sugar and related products increased substantially. The value of cocoa product imports rose considerably although the quantity declined significantly. On the other hand, the value of coffee imports declined substantially while the quantity declined only slightly. On the average, the value of imports of food from crops increased 4 percent during the first 8 months of 1967.

Complementary imports--items like coffee that are essentially noncompetitive with those domestically produced--decreased 5 percent in the first 8 months of 1967 from those in the same period last year. Complementary imports comprised 40 percent of all agricultural imports through August.

Imports of nonfood agiruclutral commodities reported through August were 18 percent lower this year, due mainly to reduced imports of animal products. Each of the major animal products (live animals, hides and skins, and wool) declined around 40 percent in the first 8 months of 1967. Nonfood crop commodity imports dropped 3 percent.

SWEETENER SITUATION

Sugar and Corn Sweeteners

Sweetener deliveries this year fell behind a year earlier during the first quarter, ran ahead during the second quarter, and declined again during the third quarter (table 14). Total refined sugar deliveries this year may be somewhat less than the 9,625,000 tons delivered

Table 12.--USDA domestic donations of commodities, to schools, institutions, and needy persons, calendar years, 1962-67 1/

Item	1962	1963	1964	1965	1966	January-June 1966	January-June 1967
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Meat							
Beef	41.0	26.8	196.9	201.0	53.1	39.5	58.0
Pork	31.1	28.1	20.4	.1	---	---	---
Lamb	.1	---	---	----	---	---	---
Mixtures	143.0	122.8	63.0	35.5	51.0	19.6	30.1
Total	215.2	177.7	280.3	236.6	104.1	59.1	88.1
Poultry							
Turkey	42.7	47.6	56.4	39.6	20.2	7.8	.5
Poultry, other	41.9	55.9	53.9	33.9	45.1	19.7	28.7
Total	84.6	103.5	110.3	73.5	65.3	27.5	29.2
Eggs 2/	10.3	8.8	16.7	2.8	---	---	---
Dairy products							
Butter	160.7	169.0	179.9	132.9	50.9	45.1	49.0
Cheese	143.6	129.6	133.4	82.0	4.6	2.0	34.4
Nonfat dry milk	179.0	165.1	153.0	147.9	127.1	64.2	55.2
Total	483.3	463.7	466.3	362.8	182.6	111.3	138.6
Fats and oils							
Lard and shortening	97.3	96.1	91.5	89.2	90.0	46.3	41.3
Margarine	---	---	---	31.6	44.5	21.2	15.1
Fruits							
Fresh	16.2	26.9	26.1	9.1	---	---	18.4
Canned	87.6	66.0	103.1	94.0	88.4	30.9	38.7
Dried	10.5	---	1.4	1.0	38.7	19.6	16.9
Frozen	---	---	---	4.0	4.7	4.7	43.5
Total	114.3	92.9	130.6	108.1	131.8	55.2	117.5
Vegetables							
Fresh	---	---	---	---	.5	---	---
Canned	74.9	86.1	89.2	50.9	48.9	10.7	7.3
Dried beans and peas	141.0	114.4	106.0	81.2	37.8	23.1	44.5
Total	215.9	200.5	195.2	132.1	87.2	33.8	51.8
Potatoes and sweetpotatoes	38.1	25.6	---	9.4	24.2	5.8	4.7
Cereal products							
Bulgar	---	2.2	4.4	4.9	4.9	2.1	2.2
Cornmeal and grits	179.5	155.3	158.3	151.0	141.6	73.0	57.9
Oats (rolled)	1.5	---	---	---	.6	---	15.0
Rice	122.9	125.1	104.2	95.8	87.6	45.4	35.9
Wheat flour	505.7	466.6	482.6	482.9	445.2	225.7	199.3
Wheat (rolled)	80.2	65.4	57.6	51.5	43.6	22.4	11.7
Total	889.8	814.6	807.1	786.1	723.5	368.6	322.0
Other 3/	41.0	37.5	44.6	42.3	42.9	20.9	14.6
Total all commodities	2,189.8	2,020.9	2,142.6	1,874.5	1,496.1	749.7	822.9

1/ Includes commodities distributed under the National School Lunch Program; excludes distribution to U.S. Territories. Data are in terms of product weight so for some items are not comparable over time.
2/ Shell eggs and dried.
3/ Includes olive oil, peanut butter, and minor amounts of other items.

Table 13.--Value of exports and imports for consumption, January-August, 1966 and 1967

Item	Exports			Imports		
	1966	1967	Change	1966	1967	Change
Food:	Mil. dol.	Mil. dol.	Pct.	Mil. dol.	Mil. dol.	Pct.
Animal products:						
Dairy products	98	1/89	-9	78	96	23
Meat and meat products	74	75	1	403	430	7
Poultry meat	30	27	-10	---	---	---
Lard and other fats 2/	26	23	-12	1	1	---
Other	5	4	-20	8	7	-12
Total	233	218	-6	489	534	9
Crop products:						
Wheat and flour	1,027	761	-26	2	1	---
Rice	147	223	52	1	---	---
Other cereal grain products	58	68	17	2	1	---
Soybeans	439	466	6	---	---	---
Vegetable oils	135	128	-5	64	61	-5
Vegetables and preparations	114	110	-4	107	110	3
Bananas	---	---	---	118	118	---
Other fruits and preparations	199	203	2	90	91	1
Treenuts and preparations	22	27	23	49	46	-6
Coffee	14	12	-14	725	674	-7
Cocoa 3/	---	---	---	104	133	28
Tea	---	---	---	39	40	3
Sugar and related products	21	24	14	329	427	30
Wines and malt liquors	---	---	---	61	66	8
Other	14	29	107	38	37	-3
Total	2,190	2,051	-6	1,729	1,805	4
All food	2,423	2,270	-6	2,218	2,339	5
Nonfood:						
Animal products:						
Live animals	23	28	22	64	39	-39
Hides and skins	106	91	-14	62	38	-39
Wool	6	5	-17	171	92	-46
Inedible tallow	104	106	2	---	---	---
Other	23	21	-9	31	33	6
Total	260	251	-3	329	202	-39
Crop products:						
Corn	611	416	-32	1	1	---
Other feed grains	300	257	-14	15	20	33
Oil-cake and meal	146	164	12	2	3	50
Other feed and fodders	62	55	11	9	11	22
Cotton and linters	230	336	46	18	16	-11
Tobacco	231	278	20	85	86	1
Inedible oils and oilseeds	23	23	---	66	60	-9
Rubber and allied gums	---	---	---	123	112	-9
Other	74	76	3	112	110	-2
Total	1,676	1,605	-4	433	419	-3
All nonfood	1,937	1,856	-4	761	622	-18
All agricultural	4,359	4,126	-5	2,978	2,961	-1
Complementary imports 4/	---	---	---	1,262	1,195	-5
Supplementary imports	---	---	---	1,716	1,767	3
Nonagricultural	15,158	16,256	7	13,380	14,467	8
Total, all commodities	19,517	20,382	4	16,358	17,428	7

1/ Includes value of blended food product (CSM), containing gelatinized cornmeal, soyflour, 5 percent nonfat dry milk, and vitamins and minerals.
2/ Milk fat (butter) included in dairy products.
3/ Includes cocoa butter.
4/ Essentially noncompetitive with U.S. products.

Based on data from Foreign Agricultural Trade of the United States.

in 1966.1/ However, total consumption this year is expected slightly to exceed last year. Invisible stocks this year appear to be declining in contrast to an estimated 75,000-ton increase in 1966.2/ Moreover, about 150,000 tons of sugar (raw value) were imported for distillation into alcohol, a substantial increase over 1966.

The October Crop Production report indicated a record domestic production of 26.0 million tons of sugarcane this crop year (excluding Puerto Rican production of 8.2 million tons). The U.S. crop is 6 percent larger than last year and 4 percent above the previous record of 1964. Domestic production of sugar beets was indicated at 19.3 million tons, down 5 percent from 1966 but up 4 percent from July 1 indications, as growing conditions improved. Assuming normal processing recovery, the total output of domestically grown sugar (including Puerto Rico) is expected to be about 6.1 million tons, raw value, for the 1967-68 crop year, slightly less than the 6.2 million tons produced a year earlier.

Sugar prices at all levels have been slightly higher than a year earlier so far in 1967. The domestic raw sugar price--New York spot--during October averaged $7.37 per hundredweight, up from an average of $7.13 during January. Wholesale refined sugar price quotations were relatively stable during 1967. Northeast and Gulf price quotations remained unchanged during January-September this year, but were increased 15 cents per hundredweight in October. In the Pacific Coast area, the basic price quotation was increased 30 cents on June 19. Price increases in the remaining areas this year were limited to 15 cents or less (as of November 1). The U.S. retail price (5-lb. package) averaged 12.20 cents per pound during January-September, up 1.7 percent from the same period a year earlier.

As of November 1, corn sirup price quotations (tank car, f.o.b. New York, dry weight basis) have continued at $8.34 per cwt. since April 1965. Dextrose price quotations (hydrate, 600-bag carload f.o.b. New York, dry weight basis) remained at $9.00 per cwt. from January through September this year, but were increased to $9.10 per cwt. in October.

Noncaloric Sweeteners

Data for recent years suggest that domestic output and use of noncaloric sweeteners in future years will continue to increase but at a slower rate than during 1962. Total consumption of noncaloric sweeteners--sugar sweetness equivalent 3/--increased from an estimated 142,000 tons in 1957 to approximately 714,000 tons this year. Per capita consumption has increased from 1.7 pounds in 1957 to an expected 7.2 pounds this year.

The largest use of noncaloric sweeteners is in soft drinks and dry beverages bases which account for an estimated 60 to 70 percent of total food use. Until recently, noncaloric sweeteners were available in retail stores only in tablet or liquid form. However, for the past year noncaloric sweeteners mixed with a bulking material (either lactose or maltodextrine) have been available.

As of November 1, saccharin (soluble sodium form) prices have continued at $1.30 per pound since January 1965, and cyclamate prices have continued at 55 cents per pound since October 1, 1966.

1/ 107 pounds of sugar, raw value, produces 100 pounds of refined sugar.

2/ Invisible stocks are supplies held by commercial buyers in contrast to the stocks held by primary distributors.

3/ Assuming saccharin is 300 times as sweet as sugar and cyclamate is 30 times as sweet as sugar.

Table 14.--Sugar, corn sweetners, coffee, and cocoa and chocolate: Estimated per capita consumption, by quarters, 1955-67 1/

Year and Quarter		Cane and beet sugar 2/ 3/	Corn sweetners 3/ 4/			Coffee 5/ 6/	Cocoa and chocolate 6/ 7/
			Corn sirup	Dextrose	Total		
		Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
1955	I	21.3	2.0	0.9	2.9	3.8	0.81
	II	24.7	2.0	1.0	3.0	3.7	.74
	III	28.8	2.5	1.0	3.5	3.6	.80
	IV	21.5	2.2	1.0	3.2	4.3	.88
1956	I	21.1	2.0	1.0	3.0	4.7	.95
	II	24.2	2.1	1.0	3.1	3.7	.90
	III	28.6	2.5	1.0	3.5	3.7	.84
	IV	23.9	2.2	1.0	3.2	3.8	1.00
1957	I	19.3	1.9	.9	2.8	4.3	.99
	II	26.0	2.1	1.0	3.1	3.6	.94
	III	26.8	2.5	1.0	3.6	3.5	.83
	IV	22.9	2.1	.9	3.0	4.1	1.04
1958	I	20.3	2.0	1.0	3.0	4.0	.88
	II	24.7	2.2	1.1	3.3	3.9	.78
	III	27.9	2.7	1.1	2.8	3.4	.78
	IV	23.9	2.2	1.1	3.3	4.2	.88
1959	I	20.2	2.0	1.0	3.0	4.3	.91
	II	25.7	2.4	1.2	3.6	3.9	.88
	III	28.4	2.6	1.1	3.7	3.9	.81
	IV	22.1	2.2	1.1	3.3	3.8	.91
1960	I	21.8	2.1	1.0	3.1	4.2	.93
	II	25.4	2.3	1.1	3.4	3.8	.87
	III	29.4	2.9	1.1	4.0	3.6	.82
	IV	22.0	2.3	1.0	3.3	4.2	.96
1961	I	20.7	2.1	1.0	3.1	4.3	.95
	II	26.6	2.3	1.1	3.4	3.8	.96
	III	28.3	2.9	1.1	4.0	3.6	.91
	IV	22.1	2.4	1.1	3.5	4.1	1.07
1962	I	20.7	2.2	1.1	3.3	4.2	.96
	II	24.8	2.5	1.1	3.6	3.7	.93
	III	29.4	3.1	1.2	4.3	3.7	.89
	IV	22.3	2.8	1.1	3.9	4.3	1.01
1963	I	22.3	2.1	1.1	3.2	4.2	1.02
	II	24.8	2.9	1.3	4.2	3.7	.91
	III	26.9	3.2	1.3	4.5	3.7	.92
	IV	22.6	2.9	1.3	4.2	4.1	1.03
1964	I	20.6	2.6	1.3	3.9	4.5	1.02
	II	24.7	3.0	1.3	4.3	3.7	.93
	III	28.2	3.6	1.2	4.8	3.1	.90
	IV	23.0	3.0	1.1	4.1	3.9	1.06
1965	I	21.1	2.7	1.2	3.9	3.7	1.02
	II	24.5	2.9	1.2	4.1	3.6	.97
	III	28.3	3.6	1.3	4.9	2.9	.93
	IV	22.6	3.0	1.2	4.2	4.6	1.15
1966	I	22.2	3.0	1.1	4.1	4.0	1.05
	II	24.0	2.8	1.3	4.1	3.4	.99
	III	29.3	3.8	1.4	5.2	3.4	.98
	IV	21.9	2.9	1.2	4.1	3.7	1.16
1967 8/	I	21.4	2.7	1.2	3.9	4.0	1.09
	II	24.6	3.5	1.3	4.8	3.7	1.00
	III	28.7	3.1	1.3	4.4	3.4	.97
	IV	22.1	3.3	1.2	4.5	3.7	1.14

1/ Estimated consumption reflects product disappearance through marketing channels. 2/ Refined sugar: 100 pounds of refined sugar is equivalent to 107 pounds of sugar, raw value. 3/ Per capita consumption based on entire population, including military. 4/ Dry basis: Dry basis is commercial weight multiplied by factor 0.803 for corn sirup and 0.92 for dextrose. 5/ Green bean equivalent basis: Data may be converted to roasted equivalent by multiplying by factor 0.84. 6/ Per capita consumption based on civilian population only. 7/ Cocoa bean equivalent basis: Data may be converted to an unsweetened chocolate basis (chocolate liquor) by multiplying by factor 0.80. 8/ Preliminary.

COCOA AND CHOCOLATE SITUATION

U.S. cocoa bean imports during January-August 1967 totaled 487 million pounds, down 79 million pounds from the same period last year. Total 1967 imports likely will be down substantially from the 715 million pounds in 1966. Imports of cocoa products totaled 121 million pounds (cocoa bean equivalent) during the first 8 months of this year, up 13 million pounds over the same 1966 period. Unsweetened cocoa and chocolate, and cocoa butter accounted for 88 percent of product imports (bean equivalent) through August compared with 92 percent for the similar period last year. Finished products, such as sweetened chocolate and cocoa, and chocolate confectionery accounted for the remainder. Usually, product imports account for about one-fifth of U.S. cocoa and chocolate imports.

The U.S. grind for the first 9 months of 1967 totaled 476 million pounds, up slightly from the 472 million pounds ground during the first nine months last year. With the increase in grind and larger imports of cocoa and chocolate products, use so far this year is up about 1 percent from the same period a year ago. Cocoa prices are expected to remain firm in coming months and 1967 consumption likely will hold to its 8-month rate of 1 percent over last year.

Per capita consumption of cocoa and chocolate products in 1967 (bean equivalent) is expected to approximate 4.2 pounds (table 7). Confectionery sales through July were running 5 to 7 percent above the same period a year ago.

Cocoa bean prices (New York Spot "Accra") averaged 30.3 cents per pound during September, the highest monthly average since January 1960. Third-quarter prices averaged 28.7 cents per pound this year, compared with 25.7 cents per pound in the similar 1966 quarter. World production for 1967/68 is forecast at 1.3 million metric tons, down 3 percent from the previous crop year, and less than anticipated world needs for 1968. In view of a third consecutive annual deficit, cocoa bean prices are expected to remain firm well into 1968.

The U.S. average retail price of a 1-ounce chocolate bar averaged 5.0 cents during the third quarter of 1967, up from 4.5 cents in the third quarter of 1966. Cocoa bean raw material costs usually account for a third to a half of the retail value of a chocolate bar. When cocoa bean prices are increasing, chocolate manufacturers may reduce the bar size without changing the price in order to hold the retail price at an even 5 or 10 cents. Another alternative is to substitute cheaper vegetable fats or oils for cocoa butter, in part or in total. The resulting product must be labeled as "vegetable fat coating' (other than cocoa butter) or similar description and not labeled as "chocolate", "sweet chocolate," or "milk chocolate."

During 1966, cocoa butter prices in the confectionery industry averaged 44.3 cents per pound. Milk chocolate and other chocolate coatings averaged 30.7 cents per pound, but confectionery coatings averaged only 18.3 cents per pound.

COFFEE SITUATION

January-August 1967 imports of green coffee beans (including inshipments from Puerto Rico) totaled 1,897 million pounds, down from 1,946 million pounds during January-August last year. Imports of instant coffee jumped to 15.8 million pounds in January-August this year from 4.7 million pounds a year earlier,

although imports remain small relative to U.S. production. On a green bean basis, total coffee imports (green, roasted, and instant) totaled 1,948 million pounds, down 2 percent from the 1,981 million pounds during the comparable period last year. But domestic roastings of 1,440 million pounds during the first half of 1967 were 1.2 percent larger than a year earlier.

The recent increase in U.S. imports of instant coffee was mostly due to developments in Brazil. Expansion of instant coffee production in Brazil is largely explained by its plentiful supply of lower-priced coffee beans and its export tax structure. There is a substantial levy on green bean exports but not on instant coffee exports. These factors have enabled Brazilian instant coffee exports to compete with lower-priced coffee from Africa and other countries that have traditionally been the major source of beans for U.S. instant coffee production.

Per capita consumption of coffee this year is likely to equal or exceed 1966 levels. Per capita consumption was about the same as a year ago in the first quarter, but it increased from 3.4 pounds in second-quarter 1966 to 3.7 pounds in second-quarter 1967 (table 14). A somewhat cooler than normal summer may have stimulated increased consumption of coffee. An increased coffee advertising budget may have helped sales too. An increase in annual consumption this year would constitute the first rise since 1962.

Green coffee prices declined the first four months of this year, rose slightly in May-June, then declined again. In September, Columbian coffee (Manizales) sold for 40.6 cents per pound, down from 43.6 per pound in January. Similarly, Brazilian coffee (Santos No. 4) declined from 38.8 cents in March to 37.3 cents per pound in September. However, Robusta coffee prices (Native Uganda) have been relatively firm this year, selling for 32.6 cents per pound in September compared with 32.2 cents per pound in January.

Similarly, retail coffee prices weakened during 1967. Regular coffee dropped from 80.7 cents per 1-pound can in February to 76.2 cents in August and September. Instant coffee dropped from 90.7 cents per 6-ounce container in February to 87.5 cents or less during August and September. Coffee prices, both for green beans and at retail, for the coming year are expected to average near current levels, partly due to stabilizing actions of the International Coffee Agreement (ICA). The 1967/68 world crop will be somewhat larger than a year ago, and stocks on hand both in producing and consuming countries will continue to be more than sufficient to supply world needs at current consumption rates.

NUTRITIONAL REVIEW 1/

Outlook for 1968

An early forecast for 1968 indicates that levels of nutrients available from the U.S. civilian food supply will be similar to those for 1967 except for a decrease in ascorbic acid. Supplies of citrus fruits, which are excellent sources of ascorbic acid, are not expected to be as large as those for 1967.

Situation in 1967

This year ascorbic acid is reaching its highest level since the early 1960s because the citrus industry has recovered from the disastrous freeze in December 1962. About 5 percent more ascorbic acid is available this year than in 1966 (table 15). The level for vitamin A value also is higher, by 3 percent. Estimates for other nutrients are essentially the same for 1967 as for 1966.

Total food energy remained about unchanged in 1967 at 3,180 calories per capita per day. Food energy in 1967 averaged 1 percent per capita higher than in 1957-59 but 2 percent lower than in 1947-49. Flour and cereal products and meat, poultry, and fish each furnished a fifth of the total food energy available in 1967 (table 16). Sugar and other sweeteners and fats and oils (including butter) were not far behind with a sixth of the total supplied by each group. Dairy products contributed an eighth of the total food energy used in 1967. These proportions have changed significantly over the past half century but not greatly since 1957-59.

Trends for Vitamin A and Ascorbic Acid

Changes in sources of vitamin A value and ascorbic acid since 1909-13 are shown in figures 9 and 10. Fruits and vegetables continue to provide about 50 percent of the total vitamin A value. Shifts in consumption among these foods have resulted in a smaller share coming from sweetpotatoes and a larger share from dark-green and deep-yellow vegetables. The proportion contributed by sweetpotatoes, over one-fifth of the total amount in 1909-13, was halved by 1947-49, and halved again in 1967. On the other hand, dark-green and deep-yellow vegetables in 1967 accounted for over twice as large a proportion as a half century ago but are little changed from 1947-49.

The shift in consumption from butter to margarine resulted in another change in source of vitamin A. But because of fortification, little loss in total consumption of vitamin A occurred. Butter provided almost 10 percent of the total vitamin A in 1909-13, but only 3 percent in 1967. Margarine, first fortified with vitamin A in the late 1930s, furnished 6 percent in 1967.

Vegetables and fruits provided about 95 percent of the ascorbic acid in 1967, as they have throughout the years. Potatoes and sweetpotatoes furnished the

1/ Prepared by Berta Friend, Consumer and Food Economics Research Division, Agricultural Research Service.

Table 15.--Nutrients available for civilian consumption, per capita per day, selected periods 1/

Nutrient	Unit	Average 1947-49	Average 1957-59	1965	1966	1967 preliminary	1967 as a percentage of 1947-49	1967 as a percentage of 1957-59	1967 as a percentage of 1966
Food energy	Cal.	3,230	3,140	3,160	3,170	3,180	98	101	100
Protein	Gm.	95	95	97	97	98	103	103	101
Fat	Gm.	141	143	144	146	147	104	103	101
Carbohydrate	Gm.	403	374	371	373	373	93	100	100
Calcium	Gm.	.99	.98	.94	.95	.96	97	98	101
Phosphorus	Gm.	1.54	1.51	1.50	1.51	1.51	98	100	100
Iron	Mg.	16.7	16.1	16.5	16.8	16 8	101	104	100
Vitamin A value	I.U.	8,700	8,000	7,500	7,600	7,800	90	98	103
Thiamine	Mg.	1.91	1.84	1.80	1.80	1.81	95	98	101
Riboflavin	Mg.	2.28	2.28	2.26	2.28	2.28	100	100	100
Niacin	Mg.	21.0	20.6	21.0	21.5	21.8	104	106	101
Ascorbic acid	Mg.	113	105	101	103	108	96	103	105

1/ Data computed by Consumer and Food Economics Research Division, ARS, on the basis of estimates of per capita consumption (retail basis), including estimates of produce of rural and urban home gardens, supplied by the Economic and Statistical Analysis Division, ERS. No deduction has been made in nutrient estimates for loss or waste of food in households or for destruction or loss of nutrients during the preparation of food. Data include quantities of iron, thiamine, riboflavin, and niacin added to flour and cereal products; quantities of vitamin A value added to margarine and milk of all types; quantities of ascorbic acid added to fruit juices and drinks.

Table 16 .--Contribution of major food groups to nutrient supplies available for civilian consumption, 1957-59 average and 1967 1/

Food group	Food energy	Protein	Fat	Carbo-hydrate	Calcium	Phos-phorous	Iron	Vitamin A value	Thiamine	Ribo-flavin	Niacin	Ascorbic acid
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1957-59 Average												
Meat (including pork fat cuts), poultry, and fish	18.2	35.7	33.0	0.1	3.2	22.0	27.1	19.9	27.4	21.2	42.3	1.1
Eggs	2.6	6.8	4.0	.1	2.8	6.8	7.1	7.3	2.8	6.5	.1	0
Dairy products, excluding butter	13.5	24.5	16.5	7.7	76.6	38.8	2.3	12.7	10.5	45.3	2.0	5.2
Fats and oils, including butter	16.0	.1	39.4	2/	.4	.2	0	8.7	0	0	0	0
Citrus fruits	.7	.4	.1	1.5	.8	.6	.8	1.1	2.1	.4	.7	22.1
Other fruits	2.6	.8	.3	5.6	1.3	1.3	4.4	6.9	2.2	1.8	2.3	10.9
Potatoes and sweetpotatoes	2.8	2.4	.1	5.3	1.0	3.9	4.3	8.3	6.4	1.9	7.6	20.6
Dark green and deep yellow vegetables	.3	.5	2/	.5	1.6	.7	1.9	20.7	.9	1.2	.7	9.2
Other vegetables, including tomatoes	2.3	3.3	.4	4.2	4.6	4.7	9.1	13.8	6.9	4.4	6.2	30.8
Dry beans and peas, nuts, soya flour	2.9	5.2	3.2	2.3	2.6	5.7	7.4	2/	6.0	1.9	6.3	2/
Flour and cereal products	21.4	19.9	1.5	37.6	3.3	13.1	28.2	.4	34.8	14.6	25.2	0
Sugars and other sweeteners	15.8	2/	0	34.2	.8	.2	4.3	0	2/	.1	2/	2/
Coffee and cocoa 3/	.8	.4	1.4	.7	1.1	2.0	3.0	2/	.1	.8	6.4	0
Total 4/	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1967 5/												
Meat (including pork fat cuts), poultry, and fish	19.7	39.7	34.7	0.1	3.3	23.8	29.5	22.1	28.2	23.9	45.8	1.1
Eggs	2.3	6.0	3.5	.1	2.6	5.8	6.2	6.9	2.6	5.9	.1	0
Dairy products, excluding butter	12.3	23.2	14.0	7.4	76.5	38.1	2.3	11.8	10.3	43.9	1.8	4.7
Fats and oils, including butter	16.6	.1	40.6	2/	.4	.2	0	8.7	0	0	0	0
Citrus fruits	.8	.4	.1	1.6	.8	.5	.8	1.3	2.3	.4	.7	23.3
Other fruits	2.6	.7	.3	5.6	1.4	1.2	4.4	6.2	2.0	1.7	1.9	11.3
Potatoes and sweetpotatoes	2.8	2.4	.1	5.4	.9	3.9	4.4	6.0	6.6	1.8	7.5	21.1
Dark green and deep yellow vegetables	.3	.4	2/	.5	1.5	.7	1.7	21.1	.9	1.1	.7	8.8
Other vegetables, including tomatoes	2.4	3.2	.4	4.4	4.6	4.8	8.9	15.4	7.1	4.4	6.1	29.6
Dry beans and peas, nuts, soya flour	2.9	4.9	3.6	2.1	2.5	5.9	6.5	2/	5.7	1.8	6.5	2/
Flour and cereal products	20.3	18.5	1.4	36.3	3.3	13.0	27.1	.5	34.2	14.3	23.2	0
Sugars and other sweeteners	16.3	2/	0	35.8	1.0	.2	5.3	0	2/	2/	2/	2/
Coffee and cocoa 3/	.7	.4	1.3	.7	1.0	1.9	2.8	2/	.1	.8	5.7	0
Total 4/	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

1/ Percentages were derived from nutrient data which include quantities of iron, thiamine, riboflavin, and niacin added to flour and cereal products quantities of vitamin A value added to margarine and milk of all types; quantities of ascorbic acid added to fruit juices and drinks.
2/ Less than 0.05 percent.
3/ Chocolate liquor equivalent of cocoa beans.
4/ Components may not add to total due to rounding.
5/ Preliminary.

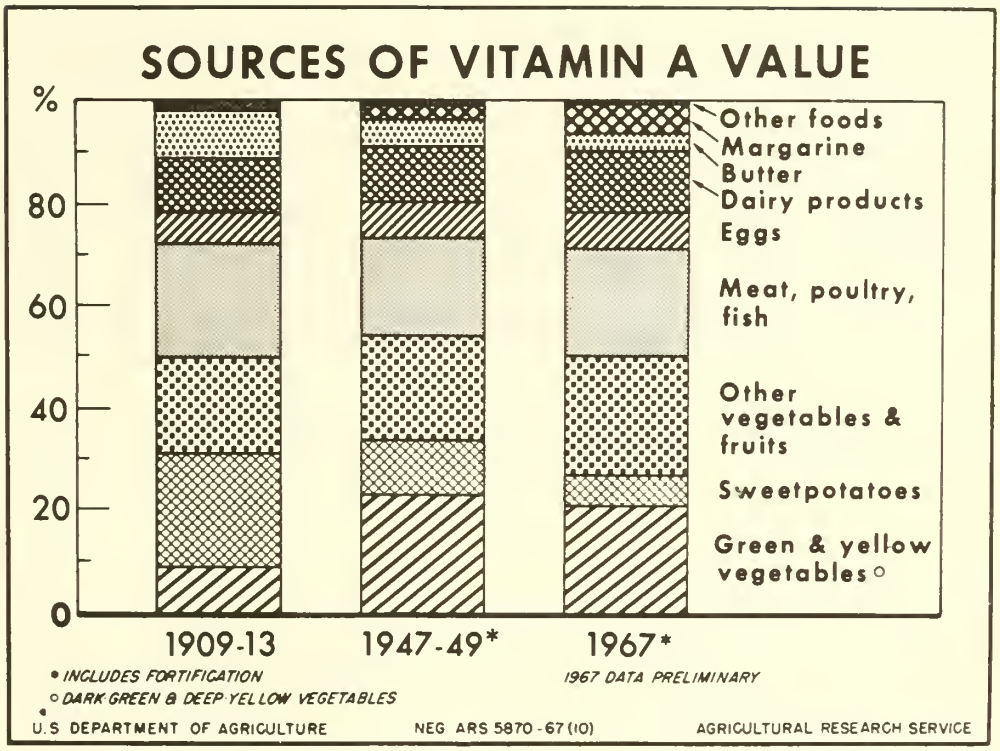


Figure 9

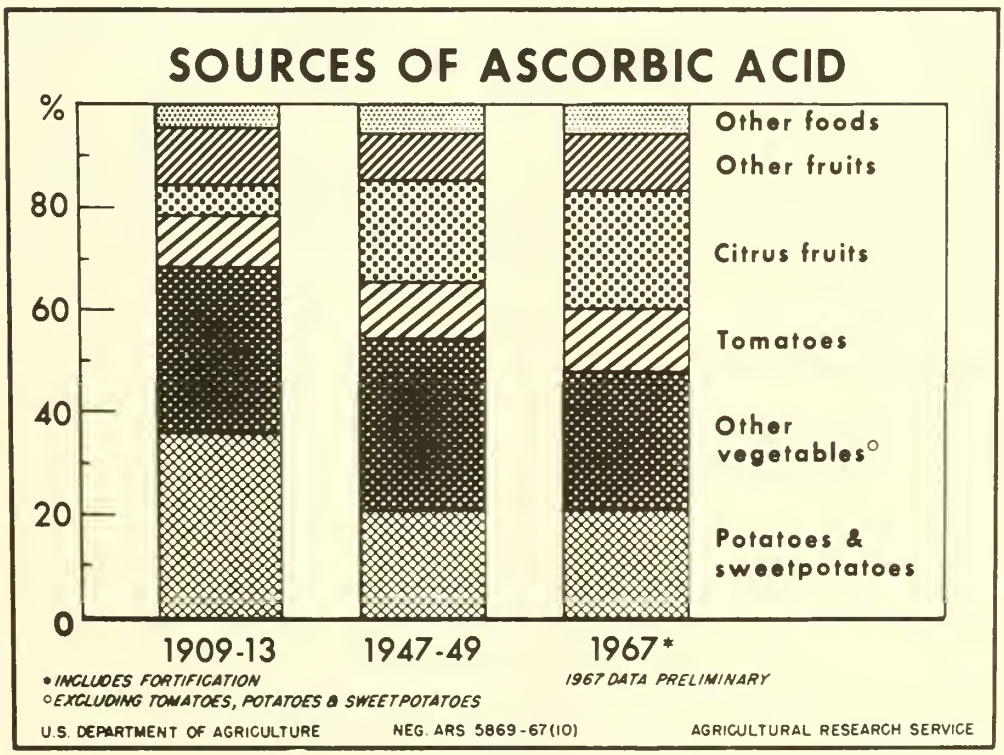


Figure 10

Table 17.--Distribution of vitamin A value and ascorbic acid from vegetables and fruits by fresh and processed forms, selected periods 1/

Food group	Vitamin A value			Ascorbic acid		
	1909-13	1947-49	1967 2/	1909-13	1947-49	1967 2/
	Percent	Percent	Percent	Percent	Percent	Percent
Vegetables and fruits:						
Fresh	93.1	79.6	61.6	96.9	84.3	65.7
Canned	5.4	17.7	28.3	3.1	13.0	17.6
Frozen	0	1.8	9.4	0	2.8	16.7
Dried	1.6	1.0	.7	3/	3/	3/
Vegetables:						
Fresh	94.0	79.8	60.8	96.9	89.8	80.0
Canned	6.0	18.4	30.0	3.1	9.0	12.3
Frozen	0	1.7	9.2	0	1.2	7.7
Fruits:						
Fresh	88.9	78.1	66.2	97.8	73.5	40.5
Canned	2.6	13.7	18.4	.9	20.6	27.0
Frozen	0	2.0	10.6	0	5.9	32.4
Dried	8.5	6.2	4.8	1.3	.4	3/

1/ Includes fortification. Components may not add to 100 due to roundirg.

2/ Preliminary.

3/ Less than 0.05 percent.

largest share of the ascorbic acid in 1909-13--about 31 percent from potatoes, 5 percent from sweetpotatoes. However, since 1947-49 they have been supplying only about one-fifth of the total--20 percent from potatoes, 1 percent from sweetpotatoes. Vegetables other than tomatoes, potatoes, and sweetpotatoes now are the largest contributors of ascorbic acid, and citrus fruits are in second place. The share provided by citrus fruits has increased four-fold over the past half century.

Another shift in sources of ascorbic acid and vitamin A value is the increased proportion furnished by processed forms of vegetables and fruits at the expense of that used fresh (table 17). In 1909-13, fresh produce accounted for about 95 percent of these vitamins coming from all fruits and vegetables, but the share dropped to roughly 80 percent by 1947-49, and to about 65 percent in 1967.

The share of ascorbic acid and vitamin A value provided by frozen fruits and vegetables has increased rapidly since 1947-49. For example, frozen fruits supplied 6 percent of the total ascorbic acid available from all fruits in 1947-49, but in 1967 they contributed 32 percent. Frozen citrus products are chiefly responsible for the increase. They accounted for 3 percent of the ascorbic acid from all forms of citrus fruits in 1947-49; in 1967 they provided over 40 percent. Frozen vegetables contributed less than 2 percent of the vitamin A value from all vegetables in 1947-49 compared with over 9 percent in 1967.

The increase in the contribution of canned fruits and vegetables to both vitamins has been more gradual over time. Canned vegetables have kept their lead over frozen vegetables as the larger contributor of vitamin A value, partly because of consumption of canned tomato products. Canned fruits continue to contribute more vitamin A value than frozen fruits because canned use continues to constitute a large part of the total.

GROCERY STORE SALES IN 1965-66 1/

The annual survey of grocery store sales, conducted by Conover-Mast Publications and published in Food Topics magazine, shows a 6-percent increase in food sales and a 10½ percent increase in nonfood sales in 1966 over 1965. Total grocery store sales increased 7 percent to $64.7 billion. Much of this increase was due to the 5-percent rise in U.S. average food prices. In addition, the population grew 1 percent and per capita food consumption expanded 1 percent over 1965.

Sales of nonfood items, including alcoholic beverages, at $16.4 billion, comprised slightly over one-fourth of total sales (table 18).2/ Sales of such nonfood items as wearing apparel, poultry feed, plants, and garden supplies increased 22 percent in 1966, far surpassing the increase for other nonfood groups which averaged a 7-percent gain. Sales of pet foods also gained significantly, up 11 percent to a total of $0.6 billion; these sales represented approximately three-fourths of total U.S. sales of pet foods.

Meat and poultry contined to increase in importance among food groups in 1966 as a result of a 10-percent increase in sales. The previous downtrend in relative importance of eggs was halted with a 13-percent jump in sales, likely due entirely to higher prices. Dairy product sales in grocery stores were 5 percent larger than in 1965, again as a result of higher prices. Sales of dairy products continued to edge downward relative to total food sales although the decline in importance was less pronounced in 1966 than in other recent years. The increased importance of livestock food products was due in part to higher prices in 1966.

Each major category of food from crops decreased in relative importance in 1966. The declines were due partly to relatively small increases, and in some cases decreases, in retail prices for those foods. Total sales of fruits and vegetables (including potatoes) increased only 3 percent in 1966. However, a 10-percent increase in sales of frozen prepared (precooked) foods--excluding fish sticks and breaded shrimp--was larger than in any recent year, although this group of items remained at less than 2 percent of all food sales. Total sales of nonalcoholic beverages gained 2 percent, a combination of lower sales of coffee and other packaged beverages, and continued big gains for soft drinks.

1/ By Helen Eklund, Food Consumption Section, ERS.

2/ Nonfood items defined by ERS includes such things as soaps, paper goods, and tobacco products commonly classed as grocery items by the trade.

Table 18.--Distribution of grocery store sales, by commodity groups, 1963-66

Commodity group	Percentage of total store sales				Percentage of food sales and nonfood sales			
	1963	1964	1965	1966	1963	1964	1965	1966
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Food:								
Meat, poultry, and fish	25.2	25.4	26.0	26.5	33.0	33.3	34.5	35.5
Meat	19.7	20.0	20.5	20.9	25.8	26.2	27.2	28.1
Poultry	3.8	3.7	3.9	4.0	5.0	4.9	5.1	5.3
Fish	1.7	1.7	1.6	1.6	2.2	2.2	2.2	2.1
Eggs	1.1	1.1	1.0	1.0	1.5	1.4	1.3	1.4
Dairy products	7.7	7.4	7.0	6.9	10.1	9.7	9.3	9.2
Fruits and vegetables 1/	18.9	18.9	18.6	17.9	24.7	24.8	24.5	24.0
Fresh produce	10.1	10.5	10.4	10.1	13.2	13.8	13.7	13.5
Processed products	8.8	8.4	8.2	7.8	11.5	11.0	10.8	10.5
Cereal and bakery products	9.8	9.7	9.4	9.1	12.8	12.7	12.5	12.2
Nonalocholic beverages	5.3	5.6	5.3	5.1	6.9	7.3	7.1	6.8
Other foods 2/	8.5	8.1	8.1	8.1	11.0	10.8	10.8	10.9
Total food	76.5	76.2	75.4	74.6	100.0	100.0	100.0	100.0
Nonfood:								
Alcoholic beverages	4.9	4.9	4.9	4.9	20.8	20.7	19.8	19.2
Pet food	.8	.8	.9	.9	3.4	3.5	3.6	3.6
Tobacco	4.2	4.0	3.8	3.8	17.9	16.7	15.3	14.9
Health and beauty aids	3.0	3.1	3.1	3.1	12.8	12.9	12.5	12.2
Soaps and laundry supplies	2.7	2.7	2.6	2.5	11.5	11.2	10.5	9.9
Paper products and foil	1.6	1.6	1.6	1.6	6.8	6.8	6.6	6.3
Housewares and household supplies 3/	2.0	2.0	2.1	2.1	8.6	8.6	8.5	8.3
Magazines, books, records	.3	.3	.3	.3	1.2	1.2	1.2	1.1
Other nonfoods	4.0	4.4	5.3	6.2	17.0	18.4	22.0	24.5
Total nonfood	23.5	23.8	24.6	25.4	100.0	100.0	100.0	100.0
Total all items	100.0	100.0	100.0	100.0	---	---	---	---
Value, all items (mil. dol.)	$53.9	$56.7	$60.4	$64.7	---	---	---	---

1/ Including potatoes, sweetpotatoes, and melons. 2/ Includes frozen prepared foods; baking needs; candy and chewing gum; desserts; food fats and dressings; jams, jellies, and preserves; sugars and other sweeteners; and other foods. 3/ Includes cooking, kitchen aids, and serving utensils and such items as pesticides, waxes, mops, brooms, lightbulbs, and deoderizers.

Derived from annual survey of grocery stores by Food Topics, (C-M Food Industry Publications, Inc., New York).

HOUSEHOLD USE OF FOOD, 1955-65 1/

Money value of food used at home (excluding alcoholic beverages) rose from $24.43 per household per week in the spring of 1955 to $27.82 in 1965, an increase of 14 percent (table 19). 2/ This information is based on national surveys of household food consumption conducted by the Department of Agriculture. Over this decade, prices for food used at home rose 13 percent, as measured by the Bureau of Labor Statistics' Consumer Price Index.

There were few differences in the proportions of food money that homemakers allotted to different categories of food, as shown by the following percentages:

	1955	1965
Meat, poultry, fish eggs	37	38
Fruit, vegetables (including potatoes)	19	19
Dairy products (excluding butter)	16	13
Grain products	11	12
Beverages	6	6
Fats and oils	4	4
Sugar and sweets	3	3
Other	4	5
	100	100

The principal change was a decrease in the proportion of the food dollar going to dairy products.

However, many changes in consumption occurred within these broad groups in response to changes in prices, preferences, and income. 3/ A large part of the increase in consumption of chicken appears to be due to lower prices. Chicken consumption per household increased 24 percent while its money value dropped 11 percent. 4/ Consumption of many other items increased despite higher prices. For example, beef consumption rose 31 percent and the money spent for beef increased 56 percent. Such increases reflect the influence of higher incomes and changes in consumer preferences.

On the other hand, consumption of some foods decreased even though prices were lower. For example, egg consumption dropped 4 percent although the money value of eggs dropped far more (15 percent) implying lower average prices. This situation reflects declining consumer demand.

Shifts made within categories--for example, from one cut of meat to another or from one variety of vegetable to another--remain obscured in these comparisons.

Some of the changes in food consumption between 1955 and 1965 reflected a shift to food requiring less home preparation. Use of fresh fruit declined whereas use of frozen concentrated and chilled juices increased. Similar shifts were noted from fresh to frozen and canned vegetables, from fresh to processed potatoes, and from flour and mixes to purchased bakery products.

1/ By Corinne Le Bovit, Food Consumption Section, ERS.

2/ The surveys cover food used at home in households during the week preceding the interview.

3/ Items are reported in the forms in which they were brought into the kitchen which, in most instances is the form on the retail market. Therefore, household survey data are not directly comparable to annual per capita consumption which usually measures consumption in form of primary commodities. Final manufacturing may blend a variety of primary ingredients. For example, sugars are marketed in many products (baked goods, cereals, canned fruit, soft drinks, fruit ades, dessert powders, and other mixtures) as well as in the form of sugars, sirups, and candies.

4/ Changes per household are almost identical with changes per capita because average household size remained about the same (3.33 in 1955 and 3.29 in 1965).

Some changes may reflect increasing concern about consumption of fats or particular kinds of fat. Consumption of fresh whole milk and cream, evaporated milk, butter, and shortening decreased while that of fresh skim milk, nonfat dry milk, margarine, and oil increased. However, price relationships may be partly responsible for these changes.

Snacks are becoming more popular. This may be related to the increased proportion of teenagers in the population, to the popularity of television, and to an increase in entertaining at home. From 1955 to 1965 consumption increased for soft drinks, punches and ades, potato chips, crackers, cookies, doughnuts, ice cream, candy, lunch meats, and peanut butter.

Consumption increased for soups and mixtures and prepared breakfast cereals, particularly cold cereals. These gains may be due to an increase in number of varieties on the market as well as to shifts in preferences.

Additional data from the 1965 Survey tabulated by urbanization, region, and income are available in Food Consumption of Households in the United States, Spring 1965--A Preliminary Report, ARS 62-16, August 1967. Volumes containing further details will be available early in 1968.

The National Food Situation is published in January, May, August and November.

The next issue is scheduled for release January 1968

Table 19.--Changes in household use of food, 1955 to 1965

Food	Quantity used per week					Money value per week 1/		
	Per household		Percent change	Per person		Per household		Percent change
	1955	1965		1955	1965	1955	1965	
	Lb.	Lb.	Pct.	Lb.	Lb.	Dol.	Dol.	Pct.
Meat	10.10	11.05	9	3.03	3.36	6.04	7.66	27
Beef	4.16	5.43	31	1.25	1.65	2.54	3.96	56
Pork	3,81	3.61	-5	1.14	1.10	2.22	2.33	5
Lunch meat	1.21	1.42	17	.36	.43	.70	.92	31
Other	.91	.60	-34	.27	.18	.58	.45	-22
Poultry	2.36	2.81	19	.71	.86	1.23	1.08	-12
Chicken	2.11	2.62	24	.63	.80	1.10	.98	-11
Other	.24	.19	-21	.07	.06	.13	.10	-23
Fish and shellfish	1.32	1.21	-8	.40	.37	.72	.73	1
Fresh, frozen, cured fish	.84	.78	-7	.25	.24	.38	.39	3
Canned fish	.29	.28	-3	.09	.08	.20	.20	0
Shellfish	.19	.15	-21	.06	.04	.14	.15	7
Eggs (shell-equivalent)	2.81	2.69	-4	.84	.82	1.00	.85	-15
Dairy products, excluding butter, (calcium equivalent) 2/	31.86	28.78	-10	9.57	8.75	3,80	3,63	-4
Fluid milk (including low-fat milk)	23.66	19.13	-19	7.10	5.82	2.34	2.09	-11
Cream 3/	.42	.32	-24	.13	.10	.20	.16	-20
Cheese, whole and part skim	.63	.67	6	.19	.20	.39	.47	21
Evaporated milk	.97	.62	-36	.29	.19	.15	.10	-33
Nonfat dry milk	.06	.13	117	.02	.04	.02	.05	150
Frozen desserts	1.30	1.68	29	.39	.51	.54	.51	-6
Cottage cheese	.43	.48	12	.13	.15	.12	.15	25
Other	---	---	---	---	---	.03	.09	---
Fats and oils	2.97	2.70	-9	.89	.82	1.09	.99	-9
Butter	.67	.42	-37	.20	.13	.45	.30	-33
Margarine	.66	.80	21	.20	.24	.18	.23	28
Shortening	.93	.60	-35	.28	.18	.23	.14	-39
Salad, cooking oils	.19	.36	89	.06	.11	.07	.12	71
Salad dressing	.51	.53	4	.15	.16	.17	.19	12
Fruit	14.21	13.37	-6	4.27	4.06	1.98	2.14	8
Fresh	9.52	8.20	-14	2.86	2.49	1.24	1.22	-2
Canned	1.51	1.59	5	.45	.48	.34	.37	9
Frozen	.10	.05	-50	.03	.01	.04	.02	-50
Dried	.18	.10	-44	.05	.03	.06	.04	-33
Juice (single strength)	2.90	3.43	18	.87	1.04	.30	.49	63
Canned	1.51	1.41	-7	.45	.43	.15	.22	47
Frozen	.36	.42	17	.11	.13	.13	.19	46
Fresh	.12	.46	283	.04	.14	.02	.08	300
Vegetables	12.93	11.79	-9	3.88	3.58	2.24	2.49	11
Fresh	8.86	7.33	-17	2.66	2.23	1.46	1.52	4
Canned	2.58	2.93	14	.77	.89	.48	.61	27
Frozen	.46	.62	35	.14	.19	.16	.22	38
Dried	.43	.37	-14	.13	.11	.07	.07	0
Juice	.60	.54	-10	.18	.16	.07	.07	0

-Continued

Table 19.--Changes in household use of food, 1955 to 1965 -Continued

Food	Quantity used per week					Money value per week 1/		
	Per household		Percent change	Per person		Per household		Percent change
	1955	1965		1955	1965	1955	1965	
	Lb.	Lb.	Pct.	Lb.	Lb.	Dol.	Dol.	Pct.
Potatoes and sweetpotatoes	6.23	5.37	-14	1.87	1.63	.53	.76	43
Potatoes								
Fresh	5.82	4.71	-19	1.75	1.43	.40	.49	22
Frozen	.04	.17	325	.01	.05	.01	.04	300
Chips, sticks	.12	.22	83	.04	.06	.09	.15	67
Sweetpotatoes, fresh	.19	.11	-42	.06	.03	.03	.02	-33
Other sweet and white (canned, dehydrated, salad)	.06	.16	---	.02	.05	.01	.05	---
Flour and cereals	5.87	4.69	-20	1.76	1.42	.92	1.04	13
Flour	2.66	1.56	-41	.80	.47	.26	.16	-38
Prepared mixes 4/	.60	.48	-20	.18	.15	.16	.14	-12
Breakfast cereals	.85	1.06	25	.26	.32	.25	.44	76
Hot	.25	.28	12	.08	.08	.05	.06	20
Cold	.59	.79	34	.18	.24	.20	.38	90
Other, including macroni products	1.75	1.58	-10	.53	.48	.25	.29	16
Bakery products	6.70	7.64	14	2.01	2.32	1.65	2.33	41
Bread	4.71	4.36	-7	1.41	1.32	.89	.95	7
Other	1.99	3.28	65	.60	1.00	.77	1.39	81
Sugar, sweets	4.15	3.70	-11	1.25	1.12	.80	.89	11
Sugar	2.75	2.33	-15	.83	.71	.30	.28	-7
Sirup, molasses, honey	.43	.40	-7	.13	.12	.09	.11	22
Jelly, jam	.59	.45	-24	.18	.14	.19	.19	0
Candy, topping	.37	.52	41	.11	.16	.23	.31	35
Beverages, excluding alcoholic	---	---	---	---	---	1.38	1.76	28
Coffee	.80	.74	-8	.24	.23	.83	.71	-14
Soft drinks and fruit ade	3.00	6.11	104	.90	1.86	.36	.84	133
Other (tea, cocoa) 5/	---	---	---	---	---	.19	.20	---
Soup, other mixtures	1.53	1.95	27	.46	.59	.50	.79	58
Other foods (nuts, condiments, leavenings) 6/	---	---	---	---	---	.55	.68	---
Total food	---	---	---	---	---	24.43	27.82	14
Alcoholic beverages 7/	---	2.23	---	---	.68	.75	1.07	43
Food and alcoholic beverages	---	---	---	---	---	25.18	28.90	15

1/ Includes money value of food federally donated, home produced, and received as gift or pay, valued at retail prices.
2/ Quantity of whole fluid milk to which dairy products are equivalent in calcium.
3/ Includes half-and-half and cream substitutes.
4/ Includes pancake, biscuit, cake, cookie, pie, and other mixes for baked goods.
5/ Includes data for purchases rather than consumption of tea.
6/ Data for spices, extracts, and other seasonings are for purchases rather than consumption.
7/ 1955 data are for purchases; 1965 data are for consumption

Source: Food Consumption of Households in the United States, Spring 1965--A Priminary Report, ARS 62-16, August 1967 and: Food Consumption of Households in the United States, 1955 Household Food Consumption Survey, Report No. 1, December 1956.

EXPENDITURES FOR FOOD AWAY FROM HOME 1/

Several sources provide data on U.S. expenditures for food away from home. This report is based primarily on nationwide household food consumption surveys conducted by the Department of Agriculture in 1955 and 1965 and on per capita expenditures computed from Department of Commerce data.2/ Data from the 1963 Census of Business and from Survey of the Market for Food Away From Home 3/also are presented to give a picture of the away-from-home market.

About three-fifths of the approximately $30 billion away-from-home food and beverage bill is spent in eating and drinking places which include restaurants, lunchrooms, cafeterias, refreshment stands, and catering establishments.

About one-fifth of the bill (at retail prices) goes to institutions such as hospitals, homes for the aged, colleges, religious homes, camps, and schools. Around one-tenth of the total goes to hotels and motels. The remainder of the away-from-home food bill is scattered among a great variety of establishments each of which takes less than 3 percent of the total. These places include drug, candy, and department stores; specialty food stores such as delicatessens, bakeries, and dairies; movies, pool halls, and private clubs; and factories and other business establishments.

There is a small regional variation in the pattern of eating out. Southerners spend a slightly higher proportion of their away-from-home dollars at cafeterias and drug stores and a smaller proportion in restaurants than northerners or westerners. Westerners spend the highest proportion in restaurants.

Trends in Expense for Eating Out

The total consumer bill for purchased meals and beverages (including alcoholic beverages) has risen at a faster rate than the population. Expenditures per capita increased steadily since the early 1950s and accelerated after 1963 (fig. 11). When these expenditures are expressed in constant 1958 dollars, the picture changes to one of decreasing per capita expenditures up to 1961 and a steady increase after 1963. By 1966 the average was slightly above the earlier peak in 1953. Nonpersonal expenditures such as business firms' purchases of meals and beverages--which probably increased significantly--are not included in these data.

The index of prices for food away from home increased much more rapidly than the index for food at home. Changes in prices for food away from home have followed changes in prices of all consumer services. Both have risen more rapidly than most other components of the Consumer Price Index. Prices of meals in

---

1/ By Corinne Le Bovit, Food Consumption Section, ERS.

2/ U.S. Department of Commerce, Survey of Current Business; U.S. Department of Agriculture, ARS and AMS, Household Food Consumption Survey 1955, Reports 1-5; U.S. Department of Agriculture, ARS, Money Value of Food Used by Households in the U.S., Spring 1965, Preliminary Report; and unpublished data.

3/ U.S. Department of Agriculture, ERS, Survey of the Market for Food Away From Home. A Preliminary Overview of Basic Tabulations from Phase I of the Survey.

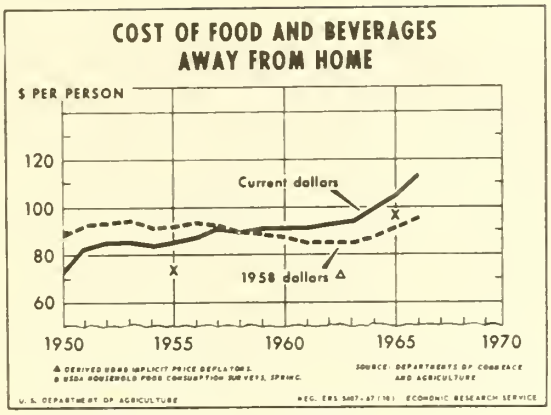


Figure 11

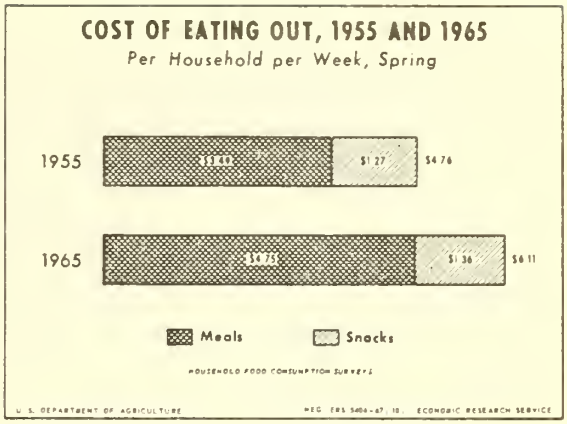


Figure 12

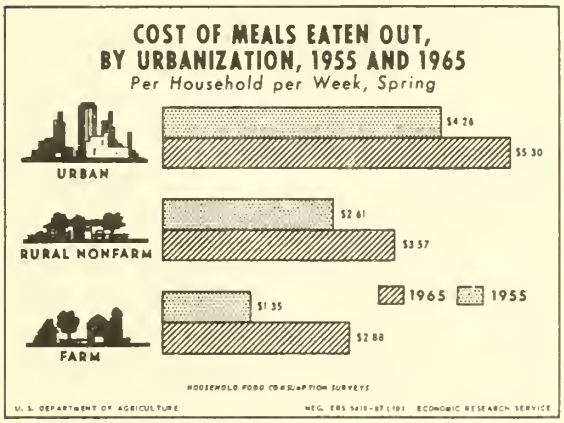


Figure 13

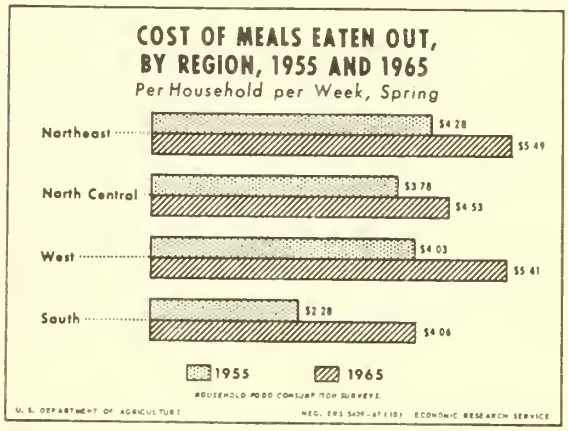


Figure 14

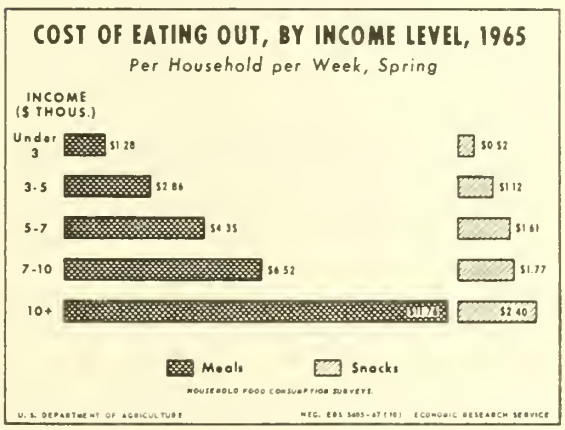


Figure 15

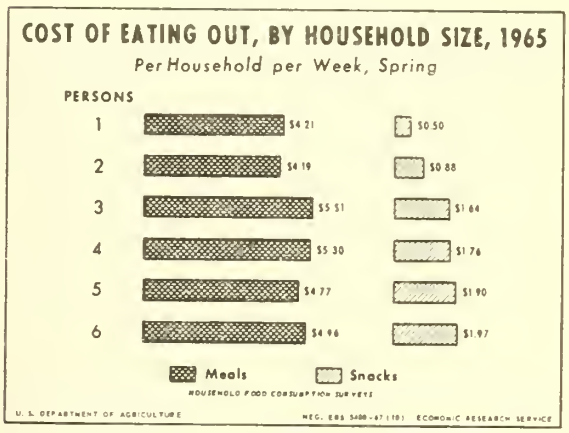


Figure 16

public eating places are greatly affected by nonfood costs such as wages and salaries, rent and other property cost, taxes, maintenance, and equipment.

Around 20 percent of total consumer expenditures for food and beverages has gone for meals out over most of the period since 1950, according to Department of Commerce data. However, some increase in this percentage has taken place since 1964. Apparently families adjusted to higher prices by keeping fairly constant the percentage of their food dollar allotted to eating out.

Data from the 2 national household food consumption surveys generally support the trend in the Commerce data. U.S. families spent an average of about $6 a week in the spring of 1965 and $4¾ in 1955 on food and beverages (including alcoholic drinks) purchased and eaten away from home. It amounted to $97 per person in 1965 and $74 in 1955, assuming that expenditures in other seasons were the same as in the spring (fig. 11).

These expenditures include taxes and tips and all food and alcoholic beverages purchased at public eating places, carryout shops, hospitals, and schools by all members of the families surveyed, including that purchased for guests. The surveys were primarily studies of food used at home. As a result, households in which no one had eaten at least 10 meals at home during the previous week were excluded. Therefore, eating out was understated by the exclusion of those eating most of their meals out. Estimated expenditures for the year may be understated due to more eating out during vacations in the summer than during the spring survey period. Since the homemaker was usually the person interviewed she may have underreported expenditures by other family members, particularly for away-from-home drinking.4/

Most of the increased spending between 1955 and 1965 was for meals; very little for snacks (fig. 12).5/ The proportion of families reporting snacks bought and eaten away from home decreased from 6 out of 10 in 1955 to a little under 5 out of 10 in 1965. During the same period, consumption of snack-type foods at home increased. Households reported considerably higher home consumption in 1965 of soft drinks, punches and ades,

4/ Even though expenditures from the food survey and from the Department of Commerce include the same components, they differ by 9-percent (table 20). Bureau of Census data give an indication of the proportion of alcoholic beverages in the away-from-home market (about one-fourth). However, Census data include only establishments primarly engaged in selling merchandise (not services) to personal, household, and farm users. They exclude hotels, places of recreation, clubs, factories, and institutions. The ERS survey gives the most complete picture of the market for food away from home. Addition of expenditures for alcoholic beverages and tips might raise the total from $21.5 billion to about $29 billion. Further addition of school lunches would bring the retail value of the entire civilian away-from-home market to about $30 billion. The difference of over $10 billion between the $20 billion Department of Commerce figure and the estimated total built up from ERS data plus alcoholic beverages, tips, and school lunches is due mostly to Commerce's omission of business firms' spending for food and beverages, and to a smaller extent to omission of employee meals at eating places (included in figures for food furnished employees) and to cost of meals included in the bill for other services such as those of hospitals, airlines, summer camps. Some of the difference is also caused by ERS pricing of institutional meals at their equivalent costs at public eating places and Commerce's recording them at wholesale costs.

5/ Snacks were defined as away-from-home purchases of between-meal food and beverages or beverage supplements to meals carried from home.

Table 20.--Alternative measures of away-from-home food expenditures in 1965

Source	Expenditures for eating out				
	Items included			Total amount	
	Tips and taxes	Expense account spending	School lunches	Food only	Food and alcoholic beverages
				Bil. dol.	Bil. dol.
Department of Commerce					
Purchased meals and beverages	x		x		20.0
Plus food furnished commercial and Government employees	x		x		21.5
Bureau of Census 1/ (retail trade only)		x		14.7	19.8
ERS Survey of Market for Food Away From Home					
Public eating places, retail trade only		x		14.7	
Public eating places, all		x		18.1	
Public eating places and institutions		x		21.5	
1965 Household Food Consumption Survey	x		x		18.2

1/ 1963 Census adjusted for 1965 population and prices. Excludes meals at hotels, places of recreation, clubs, factories, and institutions which are included in data from other sources.

potato chips, crackers, cookies, doughnuts, ice cream, candy, and peanut butter. Even the greater use of cheese and lunch meats may in part be due to more home snacking. The continuing move to the suburbs, the increased proportion of children in the population, and television may explain the shift to snacking at home.

Urbanization Differences

In both 1965 and 1955 urban families spent more dollars and a higher proportion of the food and beverage dollar for meals eaten out than did farm families (table 21, fig. 13). However, expenditures for meals eaten out by farm families more than doubled between 1955 and 1965 and increased only by one-fourth for city dwellers.

Similarly, city families spent the most for snacks, farm families the least. In 1965 city dwellers spent no more on snacks away from home than they had in 1955, but farmers spent one-fifth more. Fewer households in each urbanization reported buying snacks in 1965 than in 1955. The average expense for those households buying snacks was higher in 1965 for each group, but the increase was greater for farm than for city families.

Regional Differences

Expenditures for meals away from home in 1965 was highest in the Northeast and the West and lowest in the South (fig. 14). The proportion of households reporting buying meals was about the same in each of the 4 regions.

Compared with 1955, families in the South increased their expenditures for meals eaten out much more than those in the rest of the country. Southern spending for meals rose over 75 percent during the decade compared to about a 30-percent rise in the Northeast and West and only 20 percent in the North Central region.

Northeastern families also spent the most for snacks in 1965. The next highest spenders were those in the South with the lowest in the West. However, Southern farm families were found to spend more for snacks ($1.25 on the average) than farm people in the rest of the country (under $1.00).

Income Differences

As expected, high-income families spent more for food away from home in Spring 1965 than did those with low incomes. They also allotted a much larger proportion of their food and beverage dollar to eating out--26 percent for those with incomes over $10,000 compared to 9 percent for those with incomes under $3,000.

Expenditures for meals eaten out were more closely related to family income than expenditures for snacks (fig. 15). Families with incomes over $10,000 spent nearly 10 times as much for meals eaten out as did those with incomes under $3,000, but less than 5 times as much for snacks.

Income-expenditure relationships for meals were the same for city as for farm families at incomes under $5,000, but as incomes rose above $5,000 expenditures for eating out rose more rapidly for city dwellers than for farmers.

Between 1955 and 1965, income relationships for urban families changed little. However, for farm families expense for meals was more closely related to income in 1965 than in 1955.

Household Size Differences

Average expense for meals in public eating places in 1965 bore little relationship to the number of persons in the household (fig. 16). Families of 3 or 4 persons spent a little more than either larger or smaller families. Fewer 1- and 2- person households reported buying meals out. But, their expenditures based on those reporting such an expense was somewhat larger. One-person households who bought meals spent an average of $10 a week; 2-person households spent $8.80 and 3-person, $8.70. Expenditures were

Table 21.--Household expense for food away from home, Spring 1965

Region urbanization, 1964 money income after taxes	Expense per household per week				Households reporting in a week			
	Total		Meals	Snacks	Bought			Meals not bought 2/
	Value	Percent of all food 1/			Any	Meals	Snacks	
	Dollars	Percent	Dollars	Dollars	Percent	Percent	Percent	Percent
United States 3/								
All urbanizations	6.11	17	4.75	1.36	70.1	56.5	46.8	33.0
Under $3,000	1.80	9	1.28	0.52	42.1	30.3	26.0	30.7
$3,000-$4,999	3.98	13	2.86	1.12	66.9	48.6	45.4	31.7
$5,000-$6,999	5.97	16	4.35	1.61	76.7	60.7	51.4	31.8
$7,000-$9,999	8.30	19	6.52	1.77	85.4	73.8	58.5	34.6
$10,000 and over	14.16	26	11.76	2.40	91.8	83.3	65.1	41.1
Urban 3/	6.78	19	5.30	1.48	72.3	59.1	49.1	32.6
Under $3,000	1.81	10	1.29	0.52	43.6	31.1	27.5	32.1
$3,000-$4,999	4.17	14	3.01	1.16	67.1	49.2	45.6	31.3
$5,000-$6,999	6.28	17	4.64	1.64	77.9	62.1	51.8	29.7
$7,000-$9,999	8.75	20	6.81	1.94	86.7	74.9	61.1	33.9
$10,000 and over	15.15	27	12.58	2.57	92.9	85.0	67.6	40.9
Rural nonfarm 3/	4.69	14	3.57	1.12	65.3	51.1	42.0	35.4
Under $3,000	1.74	9	1.24	0.50	37.2	26.9	22.2	29.0
$3,000-$4,999	3.53	11	2.47	1.06	67.0	47.4	45.4	34.7
$5,000-$6,999	5.37	14	3.73	1.64	74.5	57.7	51.9	38.6
$7,000-$9,999	7.02	16	5.80	1.22	82.3	71.8	50.4	37.1
$10,000 and over	10.77	21	9.01	1.76	90.4	79.8	57.7	43.3
Rural farm 3/	3.82	11	2.88	0.94	62.0	48.0	38.8	28.7
Under $3,000	1.94	7	1.33	0.61	47.7	35.2	28.7	26.6
$3,000-$4,999	3.77	11	2.84	0.93	64.6	47.6	43.7	26.1
$5,000-$6,999	4.36	11	3.22	1.13	70.6	54.6	42.9	30.9
$7,000-$9,999	5.58	13	4.32	1.26	74.0	62.9	47.6	33.4
$10,000 and over	7.68	16	6.10	1.58	75.8	64.2	45.3	35.3
Northeast:								
All urbanization	7.26	18	5.49	1.78	73.5	59.8	52.2	29.9
Urban	7.80	20	5.93	1.87	73.7	60.7	52.9	28.0
Rural nonfarm	5.56	14	4.06	1.50	74.1	57.4	50.9	36.7
Rural farm	3.91	10	3.01	0.90	56.9	48.8	35.8	29.3
North Central:								
All urbanization	5.74	16	4.53	1.21	67.5	54.6	41.7	33.1
Urban	6.58	19	5.13	1.45	69.9	56.3	45.7	32.9
Rural nonfarm	4.12	12	3.38	0.73	62.2	51.4	32.7	33.9
Rural farm	3.66	10	3.00	0.65	63.1	50.2	35.5	31.8
South:								
All urbanization	5.35	17	4.06	1.30	69.8	55.1	49.6	33.4
Urban	5.90	19	4.54	1.37	74.3	59.8	53.4	33.2
Rural nonfarm	4.67	15	3.50	1.17	63.3	48.8	43.8	36.0
Rural farm	3.91	12	2.67	1.25	61.7	44.4	44.5	25.5
West:								
All urbanization	6.53	18	5.41	1.12	69.8	57.9	41.5	37.4
Urban	6.87	19	5.75	1.13	71.0	59.7	42.2	38.2
Rural nonfarm	4.25	12	3.09	1.16	61.8	42.7	40.4	32.6
Rural farm	4.14	10	3.38	0.75	62.7	55.6	26.1	29.6

1/ All food includes money value of food home-produced, federally donated, and received as gift as well as expenditures for purchased food at home and away from home.

2/ Received as guests in homes or in public eating places, paid for by expense accounts, or received free at work or at school.

3/ Includes households not classified by income.

Household Food Consumption Survey, 1965-66.

unrelated to the size of family in households with four or more persons.

Expenses for snacks was related to family size but per person expenditures varied. Six-person households spent four times as much as 1-person households. Larger households apparently eat out less often but spend more on snacks away from home.

Meals Without Direct Expense

One-third of the families in the United States reported receiving some free meals during the survey week in spring 1965. Most free meals are received as guests in other people's homes or, in some cases, as guests at public eating places. They also include meals paid from expense accounts and those received free at work or at school.

Cross-sectional differences in proportions of families reporting free meals were not great. The greatest proportion of families reporting free meals was among rural nonfarm families, the lowest was on farms. There were few regional differences, but more western city families reported meals as guests than did those in other regions. The proportion reporting free meals did not vary with family income nor with household size except that somewhat more 1-person households were invited out.

Summary

Total constant dollar expenditures for food away from home changed little during the 1950s and early 1960s. But, since 1963 there has been a steady increase. However, these trends apply only to personal consumption expenditures so may understate the entire market. Families seem to have adjusted to rising prices by snacking at home rather than at public eating places but by dining out very little more. Shifts to suburban living and home entertainment may also have been responsible for these trends.

There has been a trend toward farm families behaving more like city families and toward southern families responding more like the rest of the country. Farm family expenditures for eating out were more closely related to income in 1965 than in the earlier survey. Apparently, both regional and urbanization differences are diminishing.

Table 22 .--Wholesale Price Indexes, selected items, 1947-67
(1957-59=100)

Year and month	Farm products			Meats			Processed foods and feeds									All food 5/	Industrial commodities 6/	All commodities
	Eggs	Fresh and dried fruits and vegetables 1/	Total 2/	Beef and veal	Pork	Total	Poultry	Fish	Dairy	Processed fruits and vegetables 1/	Vegetable oil end products	Cereal and bakery products	Sugar and confectionery	Beverages 3/	Total 4/			
1947-49	133.6	94.3	109.2	97.1	112.6	100.9	174.3	80.5	88.6	93.0	123.5	84.8	87.2	75.3	93.9	94.4	79.0	84.2
1950	113.4	86.1	106.4	106.8	98.3	103.6	148.5	80.7	84.0	92.8	101.8	83.9	85.1	83.5	93.2	93.0	82.9	86.8
1951	144.2	91.7	123.8	128.4	103.8	120.2	163.5	86.3	95.4	98.1	120.0	90.6	92.2	89.0	103.5	104.1	91.5	96.7
1952	128.0	113.4	116.8	122.3	101.6	110.8	149.8	85.7	100.6	97.6	98.7	90.6	94.8	90.8	102.3	102.7	89.4	94.0
1953	141.2	94.6	105.9	89.6	111.8	93.0	144.6	85.2	97.9	97.3	103.3	92.8	95.3	92.4	97.6	98.5	90.1	92.7
1954	106.7	93.5	104.4	88.0	115.9	92.4	121.4	85.2	94.0	97.2	105.0	96.5	98.0	102.9	99.3	97.7	90.4	92.9
1955	114.6	98.1	97.9	85.7	94.0	83.5	128.0	84.9	94.0	98.1	100.6	98.5	96.3	99.1	95.0	95.3	92.4	93.2
1956	109.4	98.2	96.6	82.3	87.8	79.8	108.4	91.9	96.2	100.4	105.4	97.6	95.7	101.5	94.8	95.2	96.5	96.2
1957	103.2	97.7	99.2	87.9	102.5	91.9	101.5	96.2	98.9	96.6	106.3	99.1	98.9	101.6	97.6	98.1	99.2	99.0
1958	109.2	105.6	103.6	105.3	108.3	108.9	102.2	103.5	99.8	102.0	102.3	99.9	100.8	99.4	102.5	103.3	99.5	100.4
1959	87.6	96.8	97.2	106.8	89.2	99.2	96.3	100.3	101.3	101.4	91.4	101.1	100.4	99.0	99.9	98.5	101.3	100.6
1960	103.2	100.6	96.9	100.6	91.0	96.8	99.9	102.0	105.0	99.5	90.5	103.2	101.8	98.8	100.0	100.0	101.3	100.7
1961	99.0	93.7	96.0	97.0	93.9	95.1	85.8	107.9	107.5	101.7	102.7	105.1	101.2	98.6	101.6	100.0	100.8	100.3
1962	95.2	97.7	97.7	103.2	94.1	97.8	90.2	119.2	106.9	98.0	97.3	107.6	102.2	99.0	102.7	100.6	100.8	100.6
1963	94.0	96.1	95.7	95.7	88.3	91.5	88.6	112.0	107.5	103.9	88.2	107.3	118.4	100.9	103.3	100.4	100.7	100.3
1964	90.8	103.2	94.3	90.5	88.3	89.0	87.4	107.4	107.8	104.8	89.7	107.8	111.8	106.2	103.1	100.8	101.2	100.5
1965	93.5	101.8	98.4	95.6	108.2	100.8	90.9	112.8	108.5	102.1	101.2	109.0	109.0	105.7	106.7	104.5	102.5	102.5
1966	107.9	102.5	105.6	104.1	117.5	109.9	97.3	127.2	118.5	104.8	104.6	115.4	110.5	105.8	113.0	110.7	104.7	105.9
January	99.8	97.5	104.5	101.0	130.9	113.6	95.3	124.5	110.9	104.7	99.5	111.8	109.4	105.8	111.5	108.3	103.5	104.6
February	116.3	98.0	107.4	104.4	131.2	116.0	99.1	123.2	113.0	105.2	102.5	112.1	110.1	105.7	113.0	110.8	103.8	105.4
March	118.5	101.7	106.8	108.3	117.4	112.8	103.6	126.7	115.0	104.8	103.0	112.2	109.7	105.7	112.2	110.9	104.0	105.4
April	101.8	111.0	106.4	109.4	109.7	110.5	99.7	126.5	114.8	104.8	102.5	112.6	109.3	105.7	111.5	110.2	104.3	105.5
May	86.9	103.3	104.5	104.8	116.8	109.8	102.9	126.9	114.9	105 4	101.9	113.0	109.3	105.7	111.8	109.1	104.7	105.6
June	90.9	99.7	104.2	102.8	115.8	108.6	102.5	127.2	116.5	104.9	101.9	114.0	109.4	106.1	112.0	109.0	104.9	105.7
July	98.5	107.0	107.8	101.3	119.0	108.5	102.3	129.7	119.8	104.5	103.8	115.5	109.8	106.3	113.8	110.9	105.2	106.4
August	108.6	97.7	108.1	104.1	120.6	110.5	98.9	129.5	124.0	102.3	108.7	118.9	110.9	106.4	115.7	112.4	105.2	106.8
September	128.0	110.4	108.7	106.5	120.8	111.9	97.5	131.4	124.2	103.7	110.4	118.9	111.4	105.6	115.5	114.0	105.2	106.8
October	114.7	97.9	104.4	103.5	113.8	108.0	89.0	131.3	124.5	105.7	108.2	118.7	111.6	105.6	113.9	111.3	105.3	106.2
November	121.8	104.2	102.5	100.5	105.7	103.4	91.8	125.0	122.6	105.9	106.8	118.7	112.1	105.6	112.6	110.6	105.5	105.9
December	109.0	101.3	101.8	102.0	108.8	104.9	84.7	125.0	122.3	105.8	106.3	118.0	112.6	105.8	112.8	109.8	105.5	105.9
1967																		
January	100.0	101.8	102.6	103.0	108.1	105.0	89.0	129.1	121.8	105.9	106.3	117.6	113.0	105.8	112.8	109.5	105.8	106.2
February	84.0	104.5	101.0	101.9	103.2	102.8	95.9	131.0	121.2	104.3	103.5	117.3	112.6	105.9	111.7	108.5	106.0	106.0
March	90.8	98.4	99.6	100.9	97.7	100.4	90.3	127.0	120.7	104.2	101.8	117.5	112.5	105.6	110.6	107.3	106.0	105.7
April	77.0	99.6	97.6	101.7	94.0	99.3	87.3	128.0	120.1	104.3	101.6	117.2	111.8	105.9	110.0	106.4	106.0	105.3
May	74.5	104.4	100.7	102.4	106.0	103.8	86.5	125.7	120.8	105.1	101.6	117.4	112.0	106.0	110.7	107.8	106.0	105.8
June	76.0	114.3	102.4	107.2	113.7	109.5	86.8	124.7	122.2	106.5	101.6	117.2	112.7	106.3	112.6	110 3	106.0	106.3
July	86.0	107.9	102.8	109.0	116.8	111.2	91.4	120.0	122.0	107.0	101.3	116.9	113.7	106.4	113.1	110.7	106.0	106.5
August	82.1	96.6	99.1	109.2	110.0	109.5	84.2	117.4	122.1	107.1	101.0	116.8	113.8	106.6	112.1	108.8	106.3	106.1
September	93.1	92.2	98.4	111.9	111.5	110.8	83.6	120.3	122.8	107.9	102.0	116.6	113.8	106.7	112.7	109.3	106.5	106.2
October																		
November																		
December																		
	Seasonally adjusted																	
1967																		
January	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
February	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
March	87.8	95.4	99.2	---	---	---	---	---	121.1	104.0	100.2	117.7	113.0	105.9	111.0	---	---	---
April	86.4	92.0	97.3	---	---	---	---	---	120.8	103.9	101.1	117.1	111.4	106.1	110 8	---	---	---
May	89.3	98.4	101.5	---	---	---	---	---	122.4	105.0	101.9	117.8	112.3	106.1	111.6	---	---	---
June	87.4	110.4	103.9	---	---	---	---	---	123.4	106.2	102.5	117.4	113.5	106.2	113.1	---	---	---
July	92.6	104.5	101.9	---	---	---	---	---	122.5	106.8	102.1	116.3	114.5	106.3	112.4	---	---	---
August	78.2	101.5	98.8	---	---	---	---	---	122.2	109.0	102.6	117.0	114.1	106.3	112.2	---	---	---
September	81.7	96.3	97.6	---	---	---	---	---	122.0	109.0	103.6	116.8	114.1	106.7	112.4	---	---	---
October																		
November																		
December																		

1/ Includes potatoes. 2/ In addition to items listed separately, includes grains, livestock, live poultry, plant and animal fibers, milk, hay, hayseeds, oilseeds, and other farm products such as coffee beans, cocoa beans and tobacco. 3/ Includes alcoholic beverages. 4/ Includes animal fats and oils, crude and refined vegetable oils, manufactured animal feed, and miscellaneous processed foods in addition to items listed separately. 5/ All food includes all processed foods (omitting alcoholic beverages and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables from the farm products group. 6/ Formerly titled "All commodities other than farm products and processed foods." Prior to 1967, includes manufactured animal feeds and alcoholic beverages.

Bureau of Labor Statistics.

Table 23.--Retail price indexes and Consumer Price Index, selected periods
(1957-59=100)

Year and month	Food at home																	
	Meats								Fruits and vegetables									
	Beef and veal	Pork	Total 1/	Poultry 2/	Fish	Eggs	Dairy products 3/	Fats and oils 4/	Fresh	Processed	Total	Cereal and bakery products	Sugar and sweets	Beverages	Total	Food away from home	All food	Consumer Price Index
1935-39	36.5	43.2	37.8	68.7	28.9	60.3	45.9	65.4	37.3	50.2	39.6	45.6	48.3	27.5	42.6	5/	41.9	48.7
1947-49	86.8	92.8	86.7	132.5	86.4	122.7	88.3	117.9	78.4	88.6	80.9	75.5	85.4	56.1	86.1	5/	84.7	81.5
1950	97.0	87.8	91.4	126.1	89.0	104.7	84.7	94.2	76.6	81.7	79.0	78.8	86.9	85.9	87.1	5/	85.8	83.8
1951	113.3	93.1	103.6	132.1	101.6	127.4	94.5	110.3	83.1	92.4	86.3	86.0	90.1	94.7	96.9	5/	95.4	90.5
1952	112.4	92.1	102.6	132.6	99.0	116.3	98.5	93.5	96.6	91.0	94.8	88.1	90.9	95.3	98.6	5/	97.1	92.5
1953	88.6	102.5	95.8	129.3	95.3	123.2	96.8	93.9	91.1	93.2	91.8	89.8	91.9	97.9	96.8	89.3	95.6	93.2
1954	85.3	105.7	95.3	116.7	95.8	103.1	93.7	98.9	89.3	92.6	90.5	91.9	93.8	116.3	96.3	90.9	95.4	93.6
1955	84.4	91.0	87.7	121.5	93.9	106.5	93.6	95.9	91.0	93.4	91.8	93.4	95.8	104.2	94.4	91.8	94.0	93.3
1956	83.1	86.4	84.8	106.5	93.8	105.9	96.0	98.0	96.3	96.3	96.3	94.7	93.6	108.9	94.8	93.6	94.7	94.7
1957	89.2	99.5	94.2	103.8	95.0	100.9	98.8	102.4	97.0	94.2	96.0	98.4	96.3	108.1	97.9	97.1	97.8	98.0
1958	103.8	106.1	104.9	102.6	101.6	106.1	100.3	101.2	104.0	100.8	102.8	100.4	100.7	100.5	102.2	100.0	101.9	100.7
1959	106.9	94.4	101.0	93.5	103.4	92.9	101.0	96.5	99.1	105.0	101.2	101.2	102.9	91.3	99.7	102.8	100.3	101.5
1960	104.2	93.8	99.2	95.0	103.5	100.1	103.2	92.1	105.2	101.4	103.8	103.2	103.4	90.7	100.6	105.5	101.4	103.1
1961	102.5	98.2	100.5	85.8	105.8	100.1	104.8	98.6	103.5	105.6	104.2	105.4	101.4	90.7	101.5	107.8	102.6	104.2
1962	106.2	99.1	102.5	90.7	110.2	94.6	104.1	98.5	106.3	102.6	105.0	107.6	101.4	89.3	102.2	110.7	103.6	105.4
1963	105.0	96.6	100.9	89.3	110.0	96.0	103.8	95.7	112.6	108.3	111.0	109.1	110.1	90.4	103.5	113.2	105.1	106.7
1964 6/	101.9	96.1	99.4	87.3	107.4	95.0	104.7	95.4	119.2	110.8	115.3	109.6	115.5	101.4	104.7	115.2	106.4	108.1
1965	106.8	109.4	106.9	90.0	110.6	92.8	105.0	102.9	121.7	107.3	115.2	111.2	113.5	100.6	107.2	117.8	108.8	109.9
1966	112.4	125.1	116.8	94.9	117.8	105.7	111.8	107.2	123.9	109.9	117.6	115.8	111.3	100.0	112.6	123.2	114.2	113.1
Jan.	109.4	130.9	116.6	90.2	112.0	105.0	106.6	103.4	112.5	110.3	111.3	113.0	111.0	99.2	109.8	120.4	111.4	111.0
Feb.	111.4	133.2	118.8	97.5	113.1	109.1	107.0	104.0	121.5	110.6	116.5	113.2	110.6	99.2	111.8	120.8	113.1	111.6
Mar.	113.9	131.7	119.8	99.2	114.7	108.5	108.1	105.4	122.8	110.8	117.4	113.6	110.8	99.3	112.6	121.2	113.9	112.0
Apr.	115.1	124.6	118.1	98.8	116.1	105.9	108.9	106.2	127.1	111.0	119.8	114.1	110.8	99.8	112.7	121.6	114.0	112.5
May	113.3	121.6	116.3	95.9	118.2	98.8	109.3	107.1	126.3	110.6	119.2	114.3	111.0	100.2	112.0	122.2	113.5	112.6
June	112.8	123.9	116.6	96.3	118.0	89.1	109.6	106.9	131.1	110.1	121.7	114.7	110.6	100.8	112.3	122.8	113.9	112.9
July	112.2	125.0	116.6	97.1	118.5	93.9	111.0	106.8	131.2	109.6	121.5	114.8	110.7	100.8	112.7	123.5	114.3	113.3
Aug.	112.3	125.9	116.9	96.5	119.6	110.5	114.8	107.5	132.4	109.6	122.3	117.3	110.9	100.9	114.4	124.0	115.8	113.8
Sept.	112.7	126.4	117.2	95.9	120.3	111.8	116.0	108.5	122.5	109.4	116.6	118.4	111.3	100.6	114.0	124.6	115.6	114.1
Oct.	112.8	123.8	116.6	92.3	120.2	116.1	117.1	110.3	120.6	109.0	115.3	118.3	111.5	99.8	113.8	125.2	115.6	114.5
Nov.	111.4	119.1	114.5	89.8	121.1	107.9	116.7	110.1	120.0	108.8	114.9	118.6	112.7	99.5	112.8	125.7	114.8	114.6
Dec.	111.9	114.9	113.4	89.2	121.9	111.9	116.5	110.2	118.9	109.0	114.3	118.8	113.3	99.7	112.6	126.3	114.8	114.7
1967																		
Jan.	110.9	114.9	112.8	87.4	123.1	106.6	116.4	109.9	120.7	108.9	115.3	118.8	113.4	99.6	112.3	127.0	114.7	114.7
Feb.	111.8	113.6	112.9	90.5	122.1	91.4	116.1	109.3	119.4	107.9	114.2	118.5	113.5	99.8	111.7	127.4	114.2	114.8
Mar.	111.4	112.1	112.0	89.9	122.6	92.6	115.7	108.4	121.5	107.5	115.2	118.6	113.3	99.0	111.5	127.7	114.2	115.0
Apr.	110.5	109.9	110.8	89.7	122.8	86.8	115.7	107.6	120.0	107.3	114.2	118.5	114.2	98.9	110.8	128.3	113.7	115.3
May	110.0	109.0	110.2	89.5	122.4	82.3	115.9	106.9	124.0	107.1	116.4	118.8	114.1	99.1	110.9	128.7	113.9	115.6
June	112.7	118.9	114.7	87.0	121.1	78.4	116.3	106.4	129.8	107.5	119.9	118.3	114.5	99.0	112.3	129.1	115.1	116.0
July	113.3	119.2	115.1	90.1	121.2	79.2	116.4	105.7	137.5	108.0	124.4	118.2	115.0	98.9	113.3	129.7	116.0	116.5
Aug.	114.1	120.4	116.1	90.1	121.4	92.3	116.6	105.7	133.9	108.8	122.7	118.4	115.2	99.1	113.9	130.3	116.6	116.9
Sept.	115.5	118.7	116.3	90.8	112.2	89.9	117.3	105.7	124.0	110.0	115.6	118.4	115.5	99.1	112.9	130.8	115.9	117.1
	Seasonally adjusted 7/																	
1966																		
Jan.	108.5	132.8	116.8	90.3	111.6	101.1	105.9	---	116.7	---	113.9	---	---	---	110.0	---	111.6	---
Feb.	110.7	135.4	119.4	97.8	112.4	106.4	106.7	---	123.4	---	117.7	---	---	---	111.8	---	113.1	---
Mar.	114.1	135.4	121.3	100.0	114.7	111.4	108.0	---	122.9	---	117.4	---	---	---	112.9	---	114.2	---
Apr.	116.0	128.9	119.9	100.9	116.0	109.9	109.4	---	123.8	---	117.7	---	---	---	113.2	---	114.3	---
May	114.7	125.2	118.7	98.7	118.1	109.2	110.2	---	120.1	---	115.3	---	---	---	112.6	---	114.0	---
June	115.2	126.2	118.7	96.3	118.1	100.9	110.7	---	121.4	---	115.8	---	---	---	112.4	---	114.0	---
July	113.3	122.3	116.3	97.2	118.7	101.6	111.6	---	118.4	---	113.9	---	---	---	111.3	---	113.2	---
Aug.	112.0	120.7	114.9	98.0	120.0	113.4	114.9	---	131.0	---	121.4	---	---	---	113.9	---	115.5	---
Sept.	111.6	120.3	114.5	96.5	120.9	101.9	115.8	---	129.2	---	121.0	---	---	---	113.7	---	115.3	---
Oct.	111.6	121.3	115.0	93.2	120.8	107.0	116.5	---	129.7	---	120.9	---	---	---	114.0	---	115.8	---
Nov.	110.8	119.2	114.0	89.8	121.3	102.4	116.1	---	127.7	---	119.6	---	---	---	113.4	---	115.3	---
Dec.	111.5	115.6	113.5	90.3	122.1	105.5	115.9	---	124.6	---	117.6	---	---	---	113.1	---	115.3	---
1967																		
Jan.	110.6	115.1	112.7	86.9	122.6	103.4	115.8	---	126.4	---	118.5	---	---	---	112.5	---	114.9	---
Feb.	111.5	114.3	112.8	88.5	121.4	88.8	115.9	---	120.0	---	114.4	---	---	---	111.4	---	114.0	---
Mar.	111.4	113.8	112.8	88.1	122.7	93.3	115.6	---	120.9	---	114.7	---	---	---	111.6	---	114.3	---
Apr.	111.1	113.7	112.1	88.4	122.7	88.5	116.3	---	116.6	---	112.1	---	---	---	110.9	---	113.9	---
May	111.0	113.8	112.3	90.6	122.3	90.1	116.6	---	119.5	---	113.5	---	---	---	111.5	---	114.5	---
June	114.9	120.6	116.6	85.6	121.1	89.6	117.4	---	121.6	---	115.1	---	---	---	112.6	---	115.3	---
July	114.3	117.4	115.2	88.4	121.3	86.4	117.0	---	123.2	---	116.0	---	---	---	112.0	---	115.0	---
Aug.	114.2	115.8	115.0	89.4	121.6	95.2	116.6	---	130.1	---	120.6	---	---	---	112.9	---	115.8	---
Sept.	113.8	113.2	113.6	90.2	121.4	83.2	117.1	---	127.1	---	119.7	---	---	---	112.5	---	115.6	---

1/ Beef, veal, lamb and mutton, pork, and processed meat. 2/ Unadjusted index includes turkey beginning 1964; seasonally adjusted indexes are for frying chicken only. 3/ Includes butter. 4/ Excludes butter. After December 1963 computed by Economic Research Service using data for items additional to those in the CPI. 5/ Data not collected prior to 1953. 6/ Revised beginning January 1964; for first time item selection and quantity weights reflect the buying pattern of one-person families. 7/ Discussed in "Seasonally Adjusted Retail Food Price Indexes," by Stephen J. Hiemstra. National Food Situation, NFS-117, August 1966 (Reprinted as ERS-311.) Bureau of Labor Statistics.

LIST OF TABLES

Table	Title	Page
1	Volume of farm marketing and home consumption	2
2	Food consumption per capita	2
3	Food expenditures related to disposable income, 1909-67	5
4	Consumer, wholesale, and farm price indexes (1957-59=100), 1965-67	9
5	Civilian per capita food consumption, retail-weight equivalent, 1947-67	12
6	Livestock products: Per capita civilian consumption, by quarters, 1955-67	13
7	Civilian per capita consumption of major food commodities, primary distribution weight, and civilian population, average 1957-59, annual 1960-67	14
8	Production of major food commodities, average 1957-59, annual 1960-67	15
9	Farm food: Supply-utilization indexes by component and relationship of components to total net utilization, 1947-67	20
10	Livestock food commodities: Supply-utilization indexes by component and relationship to total annual utilization, 1955-67	21
11	Crop food commodities: Supply-utilization indexes by component and relationship to total utilization, 1955-67	22
12	USDA domestic donations of commodities, to schools, institutions, and needy persons, calendar years,1962-67	24
13	Value of exports and imports for consumption, January-August, 1966 and 1967	25
14	Sugar, corn sweeteners, coffee, and cocoa and chocolate: Estimated per capita consumption, by quarters, 1955-67	27
15	Nutrients available for civilian consumption, per capita per day, selected periods	31
16	Contribution of major food groups to nutrient supplies available for civilian consumption, 1957-59 average and 1967	32
17	Distribution of vitamin A value and ascorbic acid from vegetables and fruits by fresh and processed forms, selected periods	34
18	Distribution of grocery stores sales, by commodity groups, 1963-66	37
19	Changes in household use of food, 1955 to 1965	40
20	Alternative measures of away-from-home food expenditures in 1965	45
21	Household expenses for food away from home, Spring 1965	47
22	Wholesale Price Indexes, selected items, 1947-67	49
23	Retail price indexes and Consumer Price Index, selected periods (1957-59=100)	50

LIST OF CHARTS

Figure		Page
	Food expenditures and income	Cover
1	Retail food store sales	6
2	Total retail store sales	6
3	Consumer prices: Selected indexes	8
4	Food Prices	8
5	Per capita food consumption	11
6	Per capita consumption: Meat and total livestock products	11
7	Uses of U.S. food products	18
8	Sources of U.S. food	18
9	Sources of vitamin A value	33
10	Sources of ascorbic acid	33
11	Cost of food and beverages away from home	43
12	Cost of eating out, 1955 and 1965	43
13	Cost of meals eaten out, by urbanization, 1955 and 1965	43
14	Cost of meals eaten out, by region, 1955 and 1965	43
15	Cost of eating out, by income level, 1965	43
16	Cost of eating out, by household size, 1965	43

U.S. Department of Agriculture
Washington, D.C. 20250

OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U.S. Department of Agriculture

NOTICE

If you no longer need this publication, check here ☐ return this sheet, and your name will be dropped from the mailing list.

If your address should be changed, write the new address on this sheet and return the whole sheet to:

Division of Administrative Services (ML)
Office of Management Services
U.S. Department of Agriculture
Washington, D.C. 20250

NFS-122 - The National Food Situation

GW05215 IN18006JM272 1SA 0001
JM GWIN

72 FREDERICK LANE
ST LOUIS MO 63122

☆ U.S. GOVERNMENT PRINTING OFFICE: 1967 301-753 (ERS-99)